

RALLY, COMRADES!

THE VOICE OF THE LEAGUE OF REVOLUTIONARIES FOR A NEW AMERICA

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We Have a New World to Win

*“Imagine all the people
sharing all the world”*

“Imagine” by John Lennon, 1971

Imagine a world where all of humankind is free from want. Imagine a world without wars. Imagine a world free of disease and environmental destruction. Imagine a world where unlimited education and cultural creativity is a natural way of life. This kind of world is possible today.

Imagine this new world. These are not the ideas of dreamers. Today, this is exactly what the real material world offers humankind. And because this is what the real world offers – these are the ideas of visionaries – those with the political will to take care of the future in the present – those willing to take the practical political steps today to build the political power necessary to construct such a new world tomorrow.



The dreams of our children can become reality once humanity embraces and acts on a vision to build a new world of human cooperation based on the production of abundance.

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ROOTS OF TRANSFORMATION

Today exponential advancements in new electronic technology are producing an abundance of the necessities of life. The robot is the new technology that is unlike any other in human history. The robot produces without any human labor. All of previous human history required human labor to produce the necessities of life. Humanity is in the midst of a leap from all of its previous societies that were based on production with human labor, to a new society based on production requiring no human labor at all. The struggle today is about distribution of the abundance being produced.

We live in a global capitalist society where the means of production are privately owned by a capitalist class. The capitalists hire workers to produce things. The workers buy things from the capitalists with the wages they are paid for their labor. This is the way the system is supposed to work.

However, the entire global capitalist economy is disrupted and undermined as new laborless electronic technology is applied to production, permanently replacing hundreds of millions of workers. These workers are cast out of, or to the margins of the economy, with little or no ability to buy the necessities of life. These workers are a new class created by the new electronic means of production. The capitalist economic system – far from absorbing this new class, is creating it. This growing new class cannot solve its economic problems without the public ownership of the means of production and the distribution of everything that is produced according to need.

Humanity is undergoing an epochal tran-

sition, a leap out of the ages of all previous societies that were constructed and based on the production of scarcity, to a qualitatively new society constructed and based on the production of abundance. We stand on the cusp of such a new world being born. This new world is being born out of the destruction of the old.

In the United States, tens of millions of workers have been thrown out of, or to the margins of, the economy. Without a political understanding of the meaning of the times in which we live, and a vision of a new world made possible by the new electronic means of production, they dream about past better days.

Some dream that if we fight hard enough we can reform this economic system, a system based on the sanctity of corporate private property. Many dream about catching a break, like getting a good paying job, or quality health care, or a place to call home. Some may even dream about hitting the lottery. However, every day more are driven out of the economy, while others are pushed down further into the ranks of the most destitute. Without an understanding that corporate private ownership of the means of production is the real cause of their worsening conditions, they are left simply to dream of a better life.

Visionaries, unlike dreamers, proceed from the real world. Revolutionaries must consciously fight for the future. Rage against the ongoing destruction of life alone will not

bring change. Revolutionaries must bring our political understanding of the meaning of the times into the day-to-day struggles of the new class.

PROMISE OF THE FUTURE

The marvels that the new electronic means of production promise for the future of human society can only be unleashed by the abolition of corporate private property. Because of its social position at the margins of the capitalist economy and society, the new class is the only force capable of embracing the revolutionary political outlook and vision necessary to unleash these new automated technologies to build a new cooperative society, based on distribution according to need. The first stage of development along the revolutionary line of march

is found in building the political unity of the new class that is economically equal in its poverty. Developing consciousness, while forging these class bonds of unity, is the task of conscious revolutionaries.

The new class is practically engaged in a day-to-day political struggle for its very survival, as it fights for the basic necessities of life. It has no alternative or options, except to engage in this struggle for basic human demands. Revolutionaries fight shoulder-to-shoulder with our class to win the immediate demands of the moment, while simultaneously explaining the class content of the fight. The ongoing development of political consciousness and a vision of a new society amongst the combatants, is what taking care of the future aims of the revolution is all about.

The political formation of the new class as the leading revolutionary force in society is a necessary prerequisite for it to carry out its overall historic mission. That mission is to gain political power for the complete abolition of private property and to provide the political vision to construct a new cooperative society that distributes the production of abundance to all of humanity. It is only such a new society that is compatible with, and capable of, unleashing the unlimited potential and unknown wonders of the new, revolutionary automated technology.

Humanity has endured a history of revolutionary struggle for freedom that was unattainable under the past material conditions of scarcity. Today, visionaries and revolutionaries carry on that struggle for freedom, with a political clarity made possible under the new material conditions of abundance. Humanity can finally step across that nodal line and break free to secure tomorrow's promise of true human freedom. We have a new world to win.

CONTENTS

Inside: Humanity Faces Two Paths	2
Can People Change Their Thinking?	3
From the Editors: Dark Vision	3
Politics and the New Class: Revolution or Ruin	4
U.S. Global Hegemony and Capitalist Crisis	5
Makers and Takers – A Review	6

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Humanity Faces Two Paths

Inside Rally, Comrades!

The corporate State and the system of private property stand in the way of humanity's creating an economic system that conforms to the new conditions and for the common good. Humanity faces two paths: Either a society based on fascism and war or a cooperative society that distributes the wherewithal of life according to need. The survival of humanity is at stake.

The article, "U.S. Global Hegemony and Capitalist Crisis," points out that the consequences of the huge transformation in production and exchange over the past four decades have resulted in shifts in investment. In the U.S., the social consequences of those shifts in the economy expressed themselves as crises of homelessness, housing, unemployment, health care, water, and the environment. On the global level, the consequences have been much more severe, expressing themselves in wars, famines, and disease.

"From the Editors: Dark Vision," shows how the Tax Reform and Jobs Act of 2017 projects a dark vision that gives shape to a future in which a corporate State moves to consolidate private property, while containing by force a growing impoverished class, whose means of livelihood are steadily being taken away.

"Makers and Takers – A Book Review," shows that the workers, especially that section that has borne the brunt of the crisis most directly, cannot rely on the ruling class to come up with a solution. The only solution that makes any sense is that the workers are

going to have to take matters into their own hands. They are going to have to become a political force that can take control and transform the economy and society in their own interests. Since the solution to the problem is the circulation of the abundance of society to all those in need, then it is going to have to be distribution without money.

"Politics and the New Class: Revolution or Ruin" makes it clear that a technological revolution is developing on the basis of digital computers, biotechnology, artificial intelligence, and related technologies. This revolution is growing in power exponentially and is moving toward eliminating the need for labor in production. Most profoundly, it is creating an objective basis for the elimination of private property, because the end of work demands an economy that distributes goods on the basis of human need, rather than on the basis of money.

Questions are raised in the article, "Can People Change Their Thinking?" The article states that every new qualitative time produces its own new revolutionary ideas. It begins with addressing the question, how do we resolve the crisis of these times? And from that emerges the question, where are we going? Or, in other words, what is our vision?

The cover article in this issue, "We Have a New World to Win," concludes by saying that humanity has endured a history of revolutionary struggle for freedom that was unattainable under the past material conditions of scarcity. Today visionaries and revolutionaries carry on that struggle for freedom, with a political clarity made possible under the new material conditions of abundance. Humanity can finally step across that nodal line and break free, to secure tomorrow's promise of true human freedom. We have a new world to win.

EDITORIAL POLICY

Rally: to bring back together and put in a state of order, as retreating troops [to return to attack]

Comrade: a person with whom one is allied in a struggle or cause

Rally, Comrades! is the political paper of the League of Revolutionaries for a New America. In this period of growing motion and developing polarization, *Rally, Comrades!* provides a strategic outlook for the revolutionaries by indicating and illuminating the line of march of the revolutionary process. It presents a pole of scientific clarity, examines and analyzes the real problems of the revolutionary movement, and draws political conclusions for the tasks of revolutionaries at each stage of development in order to prepare for future stages. It is a vehicle to reach out and communicate with revolutionaries both within the League and outside of the League, to engage them in debate and discussion, and to provide a forum for these discussions. Articles represent the position and policies of the League of Revolutionaries for a New America.

Editor: Brooke Heagerty

Editorial Board: Bob Brown, John Slaughter

Photo Editor: Daymon Hartley

Reach us at: RALLY@LRNA.ORG

League of Revolutionaries for a New America

Tens of thousands of socially conscious people declare themselves revolutionaries in opposition to the degenerating social and economic conditions. The League's mission is to unite these scattered revolutionaries on the basis of the demands of the new class, to educate and win them over to the cooperative, communist resolution of the problem.

The demands of this new impoverished class for food, housing, education, health care and an opportunity to contribute to society are summed up as the demand for a cooperative society. Such a society must be based on the public ownership of the socially necessary means of production and the distribution of the social product according to need.

LRNA, P.O. Box 477113, Chicago, IL 60647
info@lrna.org | 1(773)486-0028 | lrna.org

Visit the *Rally, Comrades!* website!

rallycomrades.lrna.org

The *Rally, Comrades!* bilingual website provides online access to all issues of *Rally, Comrades!* It is a political resource for our readers, and provides up-to-date articles, statements and analysis of key questions of importance to revolutionaries.

Can People Change Their Thinking?

We began the New Year 2017 with a question: “What Time Is It?” We answered that question by showing how we are in a qualitatively new time, a new epoch that has been initiated by a new technology, new tools of production, that for the first time in human history can produce everything that society requires, without human labor being involved. Just think of it, astronauts on-board the space station produced a replacement part with a 3-D printer. No human labor involved. The technology is now being advanced that will be able to print out living human organs with a 3-D printer. Driverless trucks and automobiles are already happening. If 2017 teaches us anything, it is that the velocity of change is increasing exponentially.

Even as the new technology disrupts and is even destroying the economic base of society as we have known it, one consequence of this is its creation of a new class, brought about by the replacement of the workers, who have been excluded and shunted aside. From the permanently unemployed to the part-time, contingent worker, this growing new class, which can’t eat if it can’t work, is emerging as a powerful new revolutionary force. These are revolutionary times. Indeed, revolution is necessary. It is a matter of survival. These are times when new ideas are necessary. A new society must be organized that is compatible with the new means of production.

THINKING CHANGES

We have been describing a new time, a new quality, that is disrupting and destroying society as we know it. Now, as we enter the New Year 2018, we are faced with a question of some urgency: Can people embrace new ideas? Can the thinking, the consciousness of people really change?

As with the real material process of change, we also recognize that a change in consciousness is not a smooth process of incremental development. Changes in our thinking also occur in stages and leaps. Even a rudimentary review of human history shows us how consciousness can and does change qualitatively, but only in times of revolutionary transition from one historical epoch to another.

For centuries people thought that the landed nobility ruled by divine right, but people came to embrace democracy as a form of rule more compatible with a rising industrial society. Americans fought a Civil War to end it, and a system of production based on slavery was cast aside to clear the way for industry to advance. The mechanical cotton-picker wiped out the Southern sharecropping system, setting the basis for the industrialization of the South and a new civil rights movement, that also cast aside the old Jim Crow rule. These were all revolutionary ideas introduced in a time of fundamental transition.

Today is a time of revolutionary transition. But thinking always lags behind reality. The ruling class reinforces this, by proclaim-

ing that fundamental change cannot and does not happen, that the ruling ideas are forever. So even though they are instituting fascism in order to operate the State in their interests, to protect private property at all costs, they put forward a backward-facing vision: fight to get back what you have lost, combined with an outlook that says, you can only struggle to obtain the most minimal reforms within the system.

“ New, revolutionary ideas arise to answer the burning questions of the moment – what is the way out, what is *our* vision of the future?” ”

However, the real material world always wins out. You cannot continue to hold onto old ideas when the real world is telling you something else. To put it in the most simple terms, you cannot argue with your stomach. The very reason why societies are organized in the first place, is to provide for the basic needs of life: food, clean water, a home, education, health care. The ruling class tells us that they are the answer, that they can fix things, that they do everything they do in the best interests of the workers. However, they fail to deliver and expose themselves as unfit to rule. This new reality demands that people change their thinking. It is in this moment that people become open to new ideas, to revolutionary ideas that compel the building of a new society that is compatible with these wonderful new tools of production.

We have seen this in the struggles in which we have all been caught up in the past year. We see how the movement has developed from separate spontaneous outbursts around specific grievances, to a more general understanding of seeing all of the disparate struggles as being part of an overall struggle. It is expressed in an awareness of the polarization between rich and poor and haves and the have-nots. There is a growing impulse toward unity based on these struggles. The battles are shaping up as demands that the government meet their fundamental material needs, whether it is health care or education or housing. These are struggles not just for “special interest” groups, but are in the interest of the working class as a whole.

Dark Vision From the Editors

The elections of 2016 marked a season of discontent, a time which expressed a deep dissatisfaction with the direction in which the country is going, a time demanding that government redress grievances, that demands for the necessities of life be met.

The Tax Reform Bill and Jobs Act of 2017 is the ruling class’ answer. It projects a dark vision that gives shape to a future in which a corporate State moves to consolidate private property while containing by force a growing impoverished class whose means of livelihood are steadily being taken away.

Corporate tax rates are being slashed. 62 per cent of all of the benefits of the tax plan go to the corporations and the super-rich. For those earning \$75,000 or less, taxes will increase. Public resources are being cut drastically. Education funding is to be reduced by what amounts to \$300 per student nationwide. Millions will be dropped from healthcare insurance. Food stamps, nutrition programs, child health programs, programs for the disabled – all are being cut.

Next on the agenda are drastic cuts to Medicaid, Medicare and Social Security. An already bloated military budget is being expanded, along with increases for border and immigration enforcement, homeland security and a growing militarized police.

This is what a fascist economy looks like. It is a corporate State operating the economy in the interest of private property, while putting in place its dark vision of untold wealth for the propertied class and increased deprivation for the propertyless.

The centerpiece of the ruling class propaganda, used to justify its tax cut plan by reducing taxes on the corporations, is that the corporations will invest in expanded production and create millions of new jobs. The reality is that in the next 12 years more than 800 million jobs will be eliminated globally by laborless, automated technology. In the U.S. it is 73 million jobs. The tax cut bill of 2017 cannot and will not lead to a new industrial revolution and create new jobs and prosperity for America’s “middle class.”

The new class being created by laborless technology is not buying the dark vision. Polls taken just as the tax cut bill was coming before the Congress showed that barely 30 per cent of the population supported it. The new class will not accept the dark future the ruling class has in store for them.

While until recently it could be said that all politics is local, now all politics is national. Confronting the new class is a national State that openly operates in the interests of a ruling class by expropriating public property, as it moves more forcefully to protect private property. It is time for a bright new vision, that reflects the interests of a new class and boldly fights for a program that abolishes private property – a vision and program that makes all property public property and distributes the vast abundance of society to all based on need. Armed with such a vision, the dark vision of the ruling class will evaporate like the morning fog on the dawning of a new day.

SEIZE THE FUTURE

Ultimately the new class must take political power in order to be able to reorganize society in its interest. As revolutionaries we always concentrate on the objective material conditions of life in order to advance the subjective development of the working class. We concentrate on the material conditions of those struggling for the necessities of life. All of our thinking flows from that.

Every new qualitative time produces its own new revolutionary ideas. It begins with addressing the question, how do we resolve the crisis of these times? And from that emerges the question, Where are we going? Or, in other words, what is our vision?

Today it is necessary that we call things by their real names. We envision a new world, a new humanity, built on the organizing principle that all of the abundance that the new technology creates must be distributed ac-

ording to need. That is communism. It is not just someone’s good idea, but one which is practically necessary. It is a cooperative society, where each and all contribute according to ability and receive according to need.

We are at a point where the human race and the planet cannot survive without it. Yet at the same time it opens up the launching of a whole new stage of human history, in which the age-old restraints upon human development are unshackled and relegated to the dustbin of history. Set free from human pre-history, humanity finds its footing on a new foundation where truly human history begins, where we can begin to realize our full human potential, where no human has gone before.

Politics and the New Class: Revolution or Ruin

A technological revolution is rapidly developing on the basis of digital computers, biotechnology, artificial intelligence, and related technologies. This revolution is growing in power exponentially, and is moving toward eliminating the need for labor in production. Most profoundly, it is creating an objective basis for the elimination of private property, because the end of work demands an economy that distributes goods on the basis of human need, rather than on the basis of money.

The new technology is creating a new class of workers that is forced out of the productive process and who cannot survive in the old society. The purpose of this article is to track the development of this new class, using the “employment-population ratio,” to measure statistically the progress of the technological revolution in relation to the labor market.

New classes disrupt and disorganize the existing society. This process culminates in a revolution where the ruling class is overthrown, and a new society, based on the interests of the victorious class, is created. This process is emerging before our eyes. The technology revolution has freed the growing new class to fight for a new world of economic abundance and political liberation. This fight, to be successful, must unify a class that has a long history of class and racial division.

TECHNOLOGY AND CLASS DEVELOPMENT

During the period when the United States first became independent from Great Britain, its economy was dependent on household production, because international demand for U.S. agricultural exports was weak and inconsistent. One reason for this was that Great Britain endeavored to suppress competition from its former colony with restrictive tariffs and shipping prohibitions. This attitude changed radically in the context of cotton exports, after the invention of a mechanized cotton gin that separated seed from fiber.

In *Empire of Cotton*, Sven Beckert shows how the U.S. became the world’s leading producer of raw cotton, on the basis of readily available supplies of slave labor, land, and credit. The rapid expansion of U.S. cotton production in the 19th Century was unmatched by traditional cotton producing nations such as India and Egypt, where production was conducted within peasant households. In the U.S. South, slaves were worked to death in order to maximize profits.

By 1840, U.S. cotton comprised 70 percent of all imports to Great Britain. This is

noteworthy because the industrial revolution was primarily based in cotton textile factories. On the eve of the American Civil War in 1860, cotton textiles were the leading U.S. industry. This relationship was singled out by Karl Marx as early as 1846:

“Direct slavery is as much the pivot upon which our present-day industrialism turns as are machinery, credit, etc. Without slavery there would be no cotton, without cotton there would be no modern machinery. It is slavery which has given value to the colonies, it is the colonies which have created world trade, and world trade is a necessary condition for large-scale machinery.”

“ The technology revolution has freed the growing new class to fight for a new world of economic abundance and political liberation. Achieving this will depend on the political unity of the new class and a revolutionary vision consistent with the world the new technology makes possible. ”

The legacy of slavery remains an obstacle for class unity today, because of the way the post-Civil War social order was established. Instead of democratically distributing land to freed slaves and to poor whites, the cotton growing area known as the “Black Belt” South was re-organized around State sponsored violence, re-assertion of domination by the Southern planters (former slave owners), and Wall Street financial control. Democratic rights were suppressed by a fascist political State, and violence and extralegal terror were used against any attempts to unite the workers across racial lines. The result was the colonization of the Black Belt South, and racial divisions within the working class became politically reinforced throughout the country. Because the rural South includes the Black Belt, it remains the poorest region of the country today.

Today the revolution in electronics, by replacing labor with robots, artificial intelligence, and biological engineering at all skill levels, is creating a new class. This new class is increasingly objectively united by a growing common equality of poverty. This tech-

nology revolution cheapens production and increases profits. Higher levels of economic productivity are inevitably achieved, leading to a permanent crisis of over production, further destroying the market, in particular the market for labor.

Unity isn’t automatic. It has to be consciously fought for by people. Even as the old privileges and divisions are being undermined by the technological revolution, there are still ideological differences within the class along gender, religion, nationality, and especially racial lines. Nonetheless, the American ruling class is no longer giving anything to anyone. Whether the new class realizes it yet or not,

all are victims of the capitalist system.

NEW CLASS DEVELOPMENT

To track the development of the new class, we use the employment-population ratio. This represents the employed as a proportion of the total number of people residing in the country.

Let’s look at the employment-population ratio by gender between 1980 and 2017 for the country as a whole, and separately for men and women. During this period, the labor force size was growing moderately, averaging 1.4 percent increase per annum, increasing from 106 million in 1980, to 160 million in 2017. The rising trend line up to year 2000 is driven by increases in women entering paid employment, but this positive trend line reverses after 2000, and then is driven down sharply by the 2007/08 recession. Between 2004 and 2017, women’s ratio declined by five percentage points. The ratio for men declined by five percentage points across the entire time period 1980 to 2017, and dropped dramatically during the 2007/08 recession.

These trend lines demonstrate that men’s long-term worsening ratio was offset by women’s long-term improving ratio up to 2000, but after that both ratios trended in negative directions. Second, the recovery from 2007/08 was only partial. The inevitable next economic crisis will start from a lower level and drive the ratio to a new low. This has particular significance in a country where the social safety net has been shredded, millions are homeless, and the majority of the working class is one paycheck from destitution. In summary, the

material conditions for the introduction of revolutionary thinking is maturing, and now is the moment for revolutionaries to be able to play their role of developing the consciousness of this objective communist class.

Graphs, along with the percent data showing the ratio by gender, education level, race/ethnicity, and region, can be viewed online with this article at rallycomrades.lrna.org. These graphs demonstrate the worsening of the ratio within the rural South in comparison to other regions, a worsening ratio since year 2000 among all education levels, and narrowing of race/ethnic differences, due to lowering of the white ratio toward level of Latinos. The declining white population-employment ratio reflects the growing hardship faced by white workers, and the increasing development of the objective basis for unity among the growing new class regardless of color. It is essential that revolutionaries find the means to translate this objective reality into political unity based on common class interests.

URGENCY FOR CLASS UNITY

The deteriorating employment-population ratio is one labor market indicator of the development of a new class, but it is not the only indicator. Approximately 40 percent of the U.S. workforce is paid low-wages, is “involuntary part-time” (needs full time work but can’t find it), is currently unemployed, or has experienced long-term unemployment and has dropped out of the labor force altogether. These growing sets of workers are ultimately being driven out of production by the electronic revolution. Exponential increases in the power of the electronic revolution is rapidly growing the new class. This reality makes it more urgent for revolutionaries to bring revolutionary consciousness to this new class, as well as to the rest of society.

Declines in the employment-population ratio over the past 17 years demonstrate that a new class is developing within the wealthiest country on the planet. This growing new class of workers reflects the technological opportunity for a world free from economic toil. However, this positive development must be politically acted upon, to realize the benefits. Achieving such a world depends upon political unity of the new class around a revolutionary vision, a vision consistent with the material world, that is based on the rapid development of the qualitatively new means of production.

The ruling class is daily demonstrating its strategy for turning the new class against itself racially, ethnically and regionally, using any and all tactics. Falling prey to these tactics can only result in a society ruled by violence and fascism. Now is a time to consolidate a new politics of unity and to understand that failure to do so will result in the ruin of our collective future.

The electronic technological revolution is creating the material foundation for realizing the promise of human freedom and life-long happiness. Now is the moment to seize our future and realize the promise of our species.

Join the Discussion!

Rally, Comrades! articles offer revolutionaries a fresh perspective! They offer analysis and vision, and outline a strategy to achieve that vision. Share them with your friends and other revolutionaries, get together and talk about the ideas. Spread the vision of a new world and the possibility of achieving it. Join us!

U.S. Global Hegemony and Capitalist Crisis

In 2008, the financial crisis spread quickly to all sectors of the global economy. To be sure, the direct cause of the crisis was primarily the bursting of the housing bubble, which in turn reflected qualitative changes in the production and exchange processes wrought by the technological revolution in electronics.

In the United States the social consequences of those shifts in the economy expressed themselves as crises of homelessness, housing, unemployment, and health care. On the global level, the consequences have been much more severe, expressing themselves in wars, famines, and diseases.

The restructuring of investment in the U.S., made possible by advances in high technology, has resulted in structural shifts in employment. The contingent worker is quickly becoming the norm, as investment moves out of production and into finance, real estate, insurance, and related services. In a highly integrated global financial market, capital has become transnational. Multinational corporations have invested in production in countries where labor power is cheap and environmental and labor regulations are practically non-existent.

U.S. HEGEMONY

U.S. domination of the global capitalist economy tightened and expanded after the fall of the Eastern Bloc and demise of the USSR. Those developments made the U.S. the hegemonic power, and it moved to tighten its grip on the world stage even more, in anticipation of future challenges from the European Union, China and Russia. The dissolution of the former Yugoslavia into its component parts in the 1990s led the Clinton administration to intervene militarily, to counter German and Russian designs to spread their influence in Europe, through their respective roles in Croatia and Serbia. Consequently, the U.S. succeeded in maintaining and expanding its influence in Europe. U.S. designs had been to control Russia's natural resources, including its oil and gas, and ensure that it remained a second-rate power. Similarly, the U.S. moved to block China as much as possible from securing natural resources, including energy across the globe.

The 2001 invasion of Afghanistan and the 2003 invasion of Iraq are cases in point. But several developments had not been going as the U.S. had planned: In Latin America, Venezuela, Bolivia, and to a lesser extent Brazil and Argentina resisted U.S. control with mixed results. In the Middle East, Iran and Syria stood in opposition to U.S. interests. In Lebanon, the liberation of the South from Israeli forces in 2000 and the rise in popularity of the resistance movement, especially Hizbollah, created a serious worry for U.S. machinations in the region. The 2006 defeat of the Israeli invasion of Lebanon to crush Hizbollah, an ally of both Iran and Syria, was a huge blow for U.S. prestige.

Despite those initial debacles and the stiff resistance the U.S. had encountered in both Afghanistan and Iraq, it remained hegemonic

in the highly integrated global economy with no immediate serious rivals.

THE MIDDLE EAST AND U.S. HEGEMONY

Upheaval in the Arab world began in earnest in Tunisia during the month of December 2010, then spread to Egypt. The Tunisian uprising toppled the pro-U.S. Ben Ali regime. Similarly, the uprising in Egypt toppled the Pro-U.S. Mubarak regime. Iran remained undeterred by heavy sanctions and U.S. and Israeli war drums. It continued to negotiate a nuclear treaty with the five permanent members of the UN Security Council and Germany (the 5+1 negotiations). Iran finally reached an agreement with the 5+1 States in 2015.

“ The destabilization in the Middle East by the U.S. is integral to its attempts to remain the global hegemon especially in the face of the rising power of China. War is inevitable as a means of implementing that policy. ”

Beginning in 2011 the U.S., Israel, Turkey, Saudi Arabia, the United Arab Emirates, Qatar, the UK and France began a concerted effort to topple the Syrian regime and break up the country, continuing what the U.S. had attempted to do in Iraq, until it withdrew without accomplishing its strategic goals: to break up several Arab states and Iran and control their natural resources. Success in breaking up those countries would have accomplished several more goals for the U.S.: (1) defeating any regional resistance to it; (2) denying China the region's natural resources; (3) denying Russia access to the region and to complete the encirclement that NATO had begun in Eastern Europe; and (4) effecting a pincer movement against China from the Asian landmass and the South China Sea.

A major goal of the U.S. is to split Russia from China in order to target them separately. The bolstered U.S. military presence, presumably to deter North Korea, is in fact targeted against China. The contrived crisis with North Korea is a U.S. maneuver to check China's influence in the South China Sea and its ambitious One Belt One Road (OBOR) economic and trade project. Despite U.S. maneuvers regarding China, including Xi Jinping's and Trump's respective visits to the U.S. and China recently, both Russia and China are aware of U.S. machinations against them.

Russia under Putin countered U.S. moves against it by supporting the Syrian regime both diplomatically and militarily, as have Iran and most recently China. The armed groups such as ISIS that the U.S. has unleashed on Syria have essentially failed in

their mission of breaking up the country even though they have succeeded in destroying it.

Syrian refugees became a political football used by pro-U.S. regional States and the U.S., to pressure the Syrian regime and recruit fighters for ISIS and al-Qaeda from among the refugees. Turkey also opened the gates for the Syrian refugees to leave for Europe, a move that succeeded in creating a political crisis in the EU. Germany was forced to pay five billion dollars to Turkey to make sure that it would no longer open its borders for Syrian refugees to go to the EU.

The Obama presidential term ended without scoring any significant successes against Syria, Russia, China or Iran. The Iran Nuclear deal had allowed Iran to: (1) keep its non-

Russia, China and Iran.

Recently, Masooud Barazani, the Kurdish leader in Iraq conducted a referendum among the Iraqi Kurds about independence. The result was in the affirmative. However, power struggles among the Iraqi Kurds and the opposition of the Iraqi central government rendered the referendum result obsolete. In addition, Turkey opposed U.S. support of Syrian Kurdish forces seeking secession from Syria. Secession of Turkey's Kurdish population, the largest in the region and roughly 25 percent of its population, would mean the loss of the entire southeast of the country and would lead to civil war.

Secretary of State Rex Tillerson's October 2017 visit to Saudi Arabia that coincided with the Iraqi Prime Minister's, and his meeting with both the Saudi King and the Iraqi Prime Minister demonstrated that the U.S. was still trying to severely diminish Iran's influence in Iraq and isolate it regionally. Tillerson's visit to Iraq on the heels of his Saudi trip, gave further credence that the U.S. strategy of isolating Iran was still operational. The visit furthermore, showed that the U.S. was attempting to manipulate the Iraqi Kurdish issue to the detriment of the Iraqi central government. U.S. regional satellites have begun to openly normalize their relationships with Israel to face Iran. The U.S. is encouraging these moves, as they complement its policies. Isolating Iran serves other purposes as well: Weakening Russia's position in the region and strengthening Israel's.

Saudi Arabia, the UAE, Israel, and Egypt serve as the main regional thrust for the U.S. against the Russians, the Syrians and the Iranians, while Turkey and Qatar, who had coordinated their strategies for Syria before the Saudi-Qatari breakup, have now been drawn much closer together.

Turkey has drawn closer to Russia and Iran, in the hope of dissuading the U.S. from supporting the Kurds in Syria (and Iraq). Whether Turkey would completely shift towards Russia and Iran or remain in the US camp, it is not clear how domestic politics would go, given that the ruling Muslim Brothers AKP (Justice and Development Party) has failed in its adventures to topple the Syrian, Iraqi, and Egyptian regimes.

U.S. destabilization of the Middle East has added to the ongoing flood of refugees, including those from sub-Saharan Africa, where some are being sold into slavery. The overall refugee situation has added to the growing cracks in U.S.-EU relations.

All of these U.S. machinations are its attempts to remain the global hegemon. The high integration of the global economy makes the domestic and international arenas one and the same. The rise of fascism in the U.S. is a domestic expression of the global capitalist crisis. A fascist movement in the U.S. is essential for the ruling class fascist State to prepare the U.S. population for military conflict worldwide.

military nuclear program operational, albeit at low levels of uranium enrichment; (2) not relinquish its nuclear knowhow; and (3) access funds previously frozen in Western financial institutions and Iran benefited from the lifting of Western sanctions previously imposed upon it.

U.S. HEGEMONY IN THE TRUMP ERA

Trump's presidential term started with the "Muslim Ban" executive order. He then visited Saudi Arabia and secured \$480 billion in contracts and military sales. Both moves showed the integral connection between domestic and foreign policy. The \$480 billion put teeth in Trump's domestic "America First" slogan, and his promise of creating jobs in production and infrastructure projects. No sooner than his Saudi visit ended, a huge rift ensued between Saudi Arabia and Qatar, each accusing the other of supporting and financing terrorists primarily in Syria.

This episode points out the serious rivalry among regional players and their respective relationship to the U.S.. Turkey allied itself with Qatar, who supported the Muslim Brothers regionally to challenge the Saudi regional influence. To tip the balance in its favor, Saudi Arabia moved openly for rapprochement with Israel hoping to sway it away from Turkey and Qatar. At a time of huge military successes by the Syrian regime, rivalry among U.S. regional satellites reflect disagreements within the U.S. ruling class regarding which way to proceed in the Middle East as a critical part in its geopolitical strategy against

Makers and Takers – A Review

Makers and Takers: The Rise of Finance and the Fall of American Business, by Rana Foroohar, Crown Business, New York, 2016

There is a deep sense of financial insecurity that pervades the American consciousness. Money is the means to procure what we need to live. It takes money to buy food or shelter or any of the other necessities of life. There are those who possess tons of money, yet for a growing majority, money is scarce.

Rana Foroohar's book, *Makers and Takers*, is a compelling read for anyone, who wants to understand how we got here, and what is at the bottom of the ongoing financial crisis in which we find ourselves.

According to Foroohar, "The business of America isn't business anymore. It's finance, from management consultants to asset managers, from high-frequency traders to insurance companies, today financiers dictate terms to American business ... Wealth creation within the financial markets has become an end in itself." This new speculative universe represents a shift from the creation of value in production, to the making of money by moving money around, a closed loop that bypasses production altogether.

After the end of World War II the American economy was booming. The rebuilding of Europe, along with the dismantling of the world colonial system, allowed U.S. capital to expand to every corner of the globe. It made possible the greatest and last expansion of capital, and set the stage for what we now know as globalization.

At about the same time this last expansion ended, we see that a new technology was introduced in order to increase productivity. That technology, however, was of a quality like no other ever seen before in human history – it replaced human labor, rather than enhancing it. The effect was to eliminate jobs even as productivity increased. The new electronic technology was and is the fundamental cause of the crisis that continues to this day.

This is where the problem with money comes in. Money is a necessary component of the circulation of capital. But when workers jobs are eliminated they are no longer earning money from their wages, and they have no money to purchase necessary commodities in the marketplace. Commodities can no longer be circulated.

The advancing rate of automated production, the decline of value and the consequent decline of the value of the workers themselves, inevitably leads to the rise and domination of speculative capital. If money is not to be made in production, then capital will seek to make money from money. Speculative capital does not create value, but makes money largely from amassing vast sums based in debt. The hegemony of speculative capital today has to be seen as a worldwide phenomenon. It is an integral dimension of globalization – capitalism in the age of electronics.

ORIGINS OF MODERN SPECULATIVE CAPITAL

Hardly anyone today can remember or even believe there was ever a time when there were not credit cards, but the first credit cards in the U.S. were issued in 1958. In 1971 the Federal Reserve floated the dollar, no longer pegging it to the value of gold. In 1972 currency futures were launched, equity futures in 1973, T-bill futures and futures on mortgage-backed bonds in 1975, all of which set the stage for a new hedging and speculative universe.

“ The massive expansion and development of speculative capital has come to permeate every nook and cranny of the economy and society. The domination of speculative capital leaves no one untouched. Rana Foroohar's book is a compelling read for anyone who wants to understand the ongoing financial crisis in which we find ourselves. ”

Accompanying all of this was the clamor for the deregulation of finance, chipping away at the Glass-Steagall Act. In 1980 Jimmy Carter deregulated interest rates. Reagan followed with a huge increase in debt spending, cutting taxes, while simultaneously increasing government spending. Japan and China rushed to become huge purchasers of U.S. Treasury bills. Then Bill Clinton repealed the Glass-Steagall Act in 1999.

At about the same time we saw Wall Street finance capital move to merge with government itself, in order to advance its own interests, as well as to be able to direct the economy from a position of State power. Following the stock market crash of 1987, a President's Working Group on Financial Markets was formed. It included the Secretary of the Treasury and the Chairman of the Federal Reserve Board, in order to supply strategic direction, funding support and eventual bailouts.

The crash of 1987 was itself followed by the S&L crisis of 1989, the Mexican peso collapse of 1994, the Asian financial collapse of 1997 and the emerging market crisis of 1998, along with the dot.com boom and bust. Then came the crash of the greatest debt bubble of them all, the Great Recession of 2007-08.

A NEW SPECULATIVE UNIVERSE

Today, as Foroohar summarizes, a majority of Americans go into debt to obtain basic needs. Credit card debt is now at \$779 billion. Student loan debt is \$1.3 trillion. We are on the verge of a sub-prime, automobile loan melt-down. Investors now dominate the housing market. The solution to the housing bubble of 2007 was to encourage more debt – to

the tune of \$7.4 trillion today. Blackstone, the largest investor landlord in the country, has moved into the rental market, driving up prices beyond the reach of many. Private equity firms and hedge funds buy up distressed properties from Fannie Mae and Freddie Mac and securitize them as rental property portfolios.

Global debt has grown to \$57 trillion today. "Today, more than four-fifths of all the stock of global financial assets is in debt deposits," says Foroohar. A mere 15% of all financial flows, now go into the economy that makes things. The dominance of comput-

worthless, and when the price of things is determined by speculation, it exacerbates the misery of those most impoverished by the failure of an economic system that can no longer meet the needs of its people.

Direct evidence of this is the speculation in commodities futures, what Foroohar has deemed "Financial Weapons of Mass Destruction." 2008 was the first year on record that over a billion people worldwide went hungry, while at the same time half the world's population was experiencing double-digit inflation on basic living staples. Despite a glut of oil, in 1985 the price increased 85 percent a barrel. By 2010 the gambling on commodities futures led to spikes in the price of rubber, wheat and corn, revealing the power of Wall Street over the price of a loaf of bread. The Arab Spring that followed was initiated with food riots.

"When the value of what's being traded is more than four times the underlying asset that actually exists in the real world," Foroohar writes, "it's safe to say that a good chunk of what's happening in the market is purely speculative."

SPECULATIVE CAPITAL AND STATE POWER

The impact of the domination of speculative capital is also expressed politically, as the State has moved to back up the demands of the speculators with force. Countries like Greece and other countries in Europe, have been forced to adopt extreme austerity measures that include the elimination of jobs, the slashing of wages and benefits and the selling off of public assets. Closer to home, the terms of the Puerto Rican default, also dictated by speculative capital, are along the same lines. One need only glance at the budget plan titled "America First" now before Congress, to see that more austerity and economic pain is in store for the American worker, especially those who have lost their jobs, or who must work low-wage jobs with no benefits on a part-time or contingent basis.

The people are right to have deep misgivings about their economic and financial situation. Foroohar's book helps revolutionaries to see that speculative capital, which has arisen as capital's solution to a crisis that cannot be fixed, is part of the problem. Every quantitative step it takes, only sets the stage for a collapse the likes of which we have not seen before. The workers, especially that section that has born the brunt of the crisis most directly, cannot rely on the ruling class to come up with a solution. They have demonstrated beyond a shadow of doubt that they are incapable of that.

Revolutionaries know that the only solution that makes any sense is that the workers are going to have to take matters into their own hands. They are going to have to become a political force that can take control and transform the economy and society in their own interests. Since the solution to the problem is the circulation of the abundance of society to all those in need, then it is going to have to be distribution without money. There is no speculation in that.