

The Empire's Giant Ponzi Scheme: In the Belly of the "Economic Beast"

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In case you hadn't noticed, especially if you get your news from the MSM, there is the mother of all capitalist crises unfolding around us. A crisis that appears to be far deeper even than the Crash of '29 and given the global nature of corporate capitalism, nobody (except the rich) can escape its awful destructive power, short of revolution of course.

So deep in fact, that the imperial elites are incapable of resolving it and appear to be frozen to the spot like a deer caught in the headlights, attempting to apply 'solutions' that only compound the contradictions. It points once and again to the chaotic nature of capitalism that hides its ignorance behind glib phrases that mean nothing.

The *Independent's* headline (24/9/11) summed up the elite's dilemma succinctly, if somewhat archaically but then that's what you would expect from an obsolete elite used to bamboozling the public by obscuring the facts and praying that no one will notice:

"The World prays for an economic miracle"

Thus the neoliberal route, pursued since the end of the 1970s—in actuality an attempt to roll back the clock to pre-Soviet times when imperialism ruled without any effective opposition, either from its colonised and its labour or from a socialist alternative—forces us to look anew at the problem of achieving revolution in a world that has more in common with Marx's time than it does with the Soviet-shaped world most of us grew up in.

It was clearly wrong to assume that the 'most advanced workers' in the industrial countries would lead a revolution, for obviously that hasn't happened, even after one hundred years of trying. Instead, the opposite occurred. Organized labour found itself onboard the 'good ship capitalism', coopted and reformed as part of an elite working class that has directly benefitted from the spoils of Empire (allbeit crumbs off the table).

And right on cue, the leader of the Labour Party at its annual conference, Ed Milliband (27/9/11) pleaded that we need to "make capitalism work", though it works just fine- for the rich. It's everyone else who has been screwed.

And in a sense, the Bolshevik revolution of 1917 only delayed the events that now seem to be coming to a head but ironically, we are now short of a real left with which to challenge the stranglehold of corporate capital, where it counts, in the belly of the beast. We really do reap that which we have sown.

As per usual, it's the have nots of the world who stand up against the Empire, as they have done for the past five hundred years. Whilst those of us in the imperial centre can't even get

it together in order to protect our own hard-won rights, let alone those of the oppressed and occupied nations and judging by events around Libya, we can't get that right either. It's not only capitalism that's in crisis.

So in spite of all our knowledge, traditions and skills there exists no viable socialist alternative on offer. The traditional left, of whatever flavour, has nothing but the same old slogans that date back to the pre-1980s; to a time when there was still an organized industrial working class and a corresponding left firmly entrenched in the struggle against old-style industrial capitalism via the ballot box. And very comfortable it was, while it lasted.

Thus all the while as capitalism inexorably revolutionizes itself in a wave of revolutions in production (over which it exerts virtually no control, merely endlessly exploiting each advance) that led, just as Marx predicted, to a fully globalized capitalism.

Meanwhile the Western left is still banging on about a working class revolution but without what it would recognize let alone acknowledge, as a working class to (allegedly) take the lead. And it's been this way for decades, prattling on about a working class life that has all but been eradicated, just as our rural, agricultural and artisan forebears saw their livelihoods plowed under and replaced by factories and the back-to-back houses of the industrial slums.

The latest revolution in capitalist production—information technology—led inevitably to the deindustrialization of the most advanced industrial capitalist nations, driven as they are by the 'bottom line'; profit and thus exported production to where it was cheapest. And in the process, finance and consumption took over the role of generating profit out of a working population largely no longer employed in *real* production.

Instead, consumption financed by debt became the mainstay of the economy, the interest charged siphoned off and used to speculate once the now deregulated banks got their hands on all our deposits. And when the speculation crashed spectacularly in 2008, instead of writing off the all phony money debts and restarting the banking system from scratch, the political class used our collective wealth to pay back the bankers, that's their function, to protect their class interests and the reason why our democracy is corrupt and totally unrepresentative of the population.

It's also a different kind of over-production from that of earlier crises of capital characterized by an over production of goods followed by the inevitable layoffs, fall in consumption, recession, depression, yada-yada—most times followed by General War, the capitalist version of starting over.

Instead, it's the 'over production' of vast quantities of fictitious capital, in the form of commodity money that has caused the crisis this time, inexorably leading to layoffs and downturns in the real economy as the 'debts' created by the banks and speculators are paid by us in the form of higher costs, lower wages and reduced social services. In more extreme situations, wholesale privatization of state assets is needed to pay off the usurers. In fact in Greece the crisis was engineered by the very same banks who sold Greece the dud paper (CDOs, et al) in the first place and then speculated on their future value as being worthless! What a scam! An entire country has its collective wealth wiped out overnight in an attack even more deadly than a NATO 'humanitarian' bombing mission.

Financialized capitalism is a gigantic Ponzi scheme, and like all Ponzi schemes, sooner or

later the IOUs are called in. The question for us is who pays? If not us then clearly it has to be them that ripped off the the planet in an orgy that began once there was no organized resistance to its predations.

The rise of neoliberalism is directly connected the deindustrializing of the imperial centre, chiefly the US and the UK, the most financialized of the capitalist economies. Economies that dominate us all through their ownership and control of the circuits of global capital, vital raw materials and the military might to enforce their economic rule.

With no effective challenge to the rule of the Empire the situation looks dire for the entire planet; another first for capitalism.

The demise of the Soviet Union was the final and long overdue nail in the coffin of the Western Left, revealing that all along, regardless of its slogans, the Western left remained firmly embedded in a reformist approach to getting rid of capitalism.

The capital/labour 'alliance' in the UK lasted only thirty-five years (1945-1980) during which time the left slowly but surely disintegrated, no longer fit for purpose as they say. Surely a unique period in British history: from rags to riches and back to rags again in just over three decades.

But now that capitalist 'democracy' is revealed as a total sham, controlled by a political class, united only in self-interest, regardless of the 'party' in power, surely it's time to rethink how we can bring about an end to this chaotic madness. A madness where we close hospitals in the UK and use the money allegedly saved, to bomb hospitals in Libya. Same end, different means.

This is the end product: a democracy in name only. A democracy that kills and destroys with barely a murmur from us 'civilized' folks. The objective surely for us on the left is to connect the destruction wrought by the Empire to the destruction now being unleashed on us at home, for they are part and parcel off the same process. This is capitalism in the raw.

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