

The U.S. Has Been Eclipsed in Every Sphere but War. China's Competitive Edge

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US rulers promised that technology would bring the return of the millions of jobs that were outsourced to low-wage countries, but America has lost the hi-tech race and excels only in weapons of war.

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If you can't pronounce Huawei (Wah-Way), then you won't be able to explain to your grandchildren how the United States definitively lost the race for planetary technological supremacy, the last non-military contest with China that American capitalism had any chance of winning. The inherent inferiority of the chaotic U.S.-led system is now manifest – even to the thick-skulled Donald Trump, who only three months ago held off on banning U.S. companies from doing business with Huawei, the China-based world leader in 5G technology.

Back in February [Trump tweeted](#) that he wanted American companies to win the ultra-high speed mobile telecommunications race by competition and "not by blocking out currently more advanced technologies," meaning Huawei. "American companies must step up their efforts, or get left behind. There is no reason that we should be lagging behind." But Trump is expected to sign the Huawei banning order [this week](#), having finally despaired of making U.S. hi-tech "great again" by peaceful means. The only card the U.S has left to play, is war.

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The U.S. 5G eclipse by China is permanent, rooted in the systemic mayhem of the imperial economic (dis)order. Although the U.S. virtually invented the Internet as a byproduct of military technology, the early U.S. global hi-tech lead was squandered in the chaotic and criminally wasteful corporate capitalist game of all-or-nothing. As recounted by the [South China Morning Post](#) ("How US went from telecoms leader to 5G also-ran without challenger to China's Huawei") the U.S. refused to set national standards for mobile carriers, allowing tech companies to choose between wireless networks like TDMA, CDMA and GSM. Since 1987 — the year Huawei was founded — Europe has mandated that all its wireless systems use the GSM standard. But the Americans allowed U.S. corporations to wager billions of dollars and hundreds of thousands of competing jobs on rival mobile systems. The deregulation of U.S. telecommunications in 1996 further fueled the high-tech capitalist pandemonium. "The US was like the Wild West," said Thomas J. Lauria, a former AT&T employee, telecoms analyst and author of the book *The Fall of Telecom*. "Europe managed itself more contiguously than the US, they did not have a lot of disparate networks and

picked the [GSM] standard that everyone had to agree to.”

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U.S. high-tech firms fought it out among themselves tooth and nail, ignoring the GSM standard and betting that, once one of them won dominant market share and bankrupted or absorbed the others, their corporation would be king of the monopoly capitalist hill, and that U.S. global clout would then propel them to the top of the world. “In many aspects, the era from the early 1990s to mid 2000s was lost time for the US mobile industry,” said Bengt Nordstrom, chief executive of Northstream, a Stockholm-based consultancy. But in the hi-tech arena, a decade is a lifetime. The rise of China would not allow the U.S. the privilege of imperial technological resurrection.

There’s more to this story, but let’s stop right here before some of our readers start mourning the loss of jobs and capital that will result from America’s fall from preeminence in technology — the competitive edge that was supposed to compensate for the systemic outsourcing of the nation’s manufacturing jobs to the low wage South and East of the planet, including China. Throughout the nineties, Americans were told not to worry, because those gritty industrial jobs would be replaced by clean, well-paid hi-tech employment for everyone willing to learn new skills like computer programming and code-writing. But we soon discovered that most of those jobs would be outsourced, too, or performed by low-paid, hi-tech imported workers from the global South and East. Technology is not the cure for U.S. capitalism’s ills. To paraphrase a clichéd term, “It’s the *system*, stupid.”

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Under late stage capitalism, high technology is a tool of accelerated economic consolidation — monopolization — and marginalization of workers. Armed with hi-tech tools, Jeff Bezos now wages a war of annihilation against retail commerce, one of the last remaining mass employment sectors in the U.S., while other digital oligarchs publicly proclaim their intention to deploy “the internet of things” – based on 5G technology — to wipe out much of the rest of existing employment. Silicon Valley plutocrats scheme to create a world with few workers, where trillionaire owners of technology rule. A subsistence wage would be doled out to the masses, so they can pay for hi-tech connectivity to the networks that surveil and disinform them. And that’s the *least* dystopian of our prospects under late stage capitalism. In a racist United States, the worst scenario is always the most likely for the descendants of Africa.

As chief executive of the U.S. capitalist (dis)order, Donald Trump will try to “make America great again” by playing the only cards remaining in the imperial deck: military coercion and the weaponized dollar. The corporate Democrats that hope to succeed Trump will rattle the same missiles and sanctions, blaming China’s command economy for the contradictions of U.S. capitalism in decline. Both corporate parties are singing the same death dirge for the nation and the world. There is only one escape: overthrow the rule of the rich. Under their reign, the U.S. is no longer the “greatest” at anything but mass incarceration, the amassing of weapons of destruction, and the maintenance of a worldwide system of surveillance that hears and watches everyone with a telephone or computer.

A Russian news analyst had [an interesting take](#) on America’s eclipse in the race for 5G: “US

universal surveillance of everyone outside of America is in serious trouble.”

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