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Marxism Is Simply the Social Science of Our Time

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I am one of those people who were not born in a cradle upholstered by Marx's works. When I discovered the work of this thinker, it was for me as a new life.

Today, while the very honorable World Association of Political Economy (WAPE) judges that my publications are worthy of special attention, it is with total modesty that I receive the reward that is attributed to me. Marxism is a library whose rays contain a very large number of books and writings of all kinds, millions perhaps. These writings are undoubtedly of unequal quality but no matter. It is their co-existence that makes them strong.

I have devoted my life as a researcher to understanding what capitalism is, what it is today. I have studied closely some of its instruments, such as national accounting. I have tried to measure the exploitation rate of workers in France over almost a century. I have sought to understand these activities called services and which were in a country like France, growing. More recently, I have been interested in the current process of globalization of capitalism and, in this context, of socialism in China.

This presentation, on "The Apogee and the Decline of Imperialism," from the 1970s to the present, contains three parts:

1. The first part covers the years 1970 to 2008. It is dedicated to the apogee of imperialism after World War II.
2. The second part deals with the economic crisis currently shaking imperialism.
3. The third part concerns the political and moral crisis in addition.

First Part: The Culmination of Imperialism after World War II

As a member of the economic section of the Central Committee of the French Communist Party, I participated actively, in the early years of the 1960s, in this intellectual adventure that was the theory of State Monopoly Capitalism (CME), revisited by the French Marxist Economist Paul Boccara (1932–2017). In that time, the French communists felt that they could explain, thanks to this theory, why after World War II, capitalism had been able to develop, combining the Keynesian theory of the effective demand supported and stimulated by the intervention of the capitalist state and the Marx theory on the class struggle. Imperialism was then in competition with socialism, and its leaders had to be very careful not to clash with the popular masses.

After 20 years of brilliant development, this system went into crisis. The 1970s was a period of intense and often victorious struggles for the workers' movement. But the combination of stagnation and inflation led the bourgeoisies of developed countries to take drastic measures to end these struggles. They considered to put an end to Keynesian policies in favor of popular consumption, to dismantle the Bretton Woods system, and to establish a new liquidity supply system, following the deficit now structural, of the American trade balance. In 1979, the G7 members gathered in Tokyo and took the decision of engaging in the process of financial globalization by raising very large interest rates (double or triple).

The dominant country in imperialism was then the United States. This imperialism was not the same as that which Lenin knew, where the banks were closely associated with the management of industries. US Imperialism is an imperialism of financial markets in which banks are not industry managers. Another difference with Lenin's time is that, at the beginning of the 20th century, every fraction of the world's capital was operating on a part of the world, the colonies, as if it were their private property. In 1980, the time of colonies was closed. It was therefore only through financial markets and profit rates that, for all the capitalists of every country, the capitalist reorganization of the world could be planned.

This period can be seen as the culmination of imperialism after World War II. In their own country, political leaders of the United States and Great Britain put the trade union movements on their knees, respectively in 1981 and 1985. France was an exception, but it was for a short time. At the international level, after 1990,

Soviet-style socialism was exploding into 1,000 pieces. Around the 1990s, the European Union took shape as an intermediate link of the old European countries under the domination of German capitalism and the global world. Finally, at the technological level, the imperialist countries appear as the drivers of technical progress and of the information and digital revolutions. Their leaders believe that before them the paths of the end of history were opened for eternity.

Second Part: The Current Crisis of Financial Imperialism Is a Long-Term Economic Crisis

What Marxism, as a contemporary heirs of the Hégelian dialectic, teaches us is that life is a perpetual movement. Capitalist imperialism is not eternal and history, which its leaders believed belonging to the past, is catching up with it. For sure, nothing is automatic in this process. Imperialism remains a dangerous beast. That said, it is observed that it is in economic crisis. All indications are that this crisis is a very long-term one.

The economic crisis of imperialism can be analyzed according to the following aspects.

The first is that the actors of the capitalist globalization have not known and/or have not wanted to put in place at the global level “safety nets” set up since the beginning of the 20th century in the national territories. There is no superimperialism that can organize the whole. There is only a higher imperialism, the guardian of the military security of the whole, in this case the United States.

The result of this lack of prudential rules was that financial crises were multiplied after 1980. The capitalist leaders believed that this was a learning phase, primarily for developing countries, but that they themselves would not be affected. The key was for them to be able to leave in time from emerging countries and “fly to quality.” In fact, after various large-scale crises, the first of which was the payment of their debt by the developing countries, then that of Mexico in 1994, of the Asian countries in 1997, of Brazil and of Russia in 1998, of Turkey in 2000, it was the developed countries themselves who were affected. The great crisis of the years 2007 to 2008, started from the United States and has spread its effects throughout the world. It is not over at all.

The second notable aspect of the current deep economic crisis of imperialism comes from the general causes of overaccumulation of capital. By doubling the real capital by a fictitious capital operating independently in the financial markets, the capitalist system did not halve the necessary amount of profit for the profitability of each fraction of the capital, real and fictitious, but it has rather multiplied by two.

Financial securities have become full-fledged goods. The capitalist economy, Marx wrote, is a huge accumulation of goods. For him, they were real goods. With financial globalization, the global economy has become a huge accumulation of

real goods and of financial goods. The theories of the efficiency of the financial markets came to give a semblance of justification to these new developments. But it has been soon clear and observed that these markets, far from regulating their internal movements by variations in the opposite direction of prices and demand, were on the contrary a permanent and increasing disequilibrium since in these markets, the demand for securities increases at the same time than their prices.

Experience has shown that financial markets for financial globalization were not efficient, that they favored the very short-term expectations, that they helped to disrupt economies, and that, ultimately, they amplified phenomena of overaccumulation of capital rather than reducing them.

The capitalist economy is now, for these reasons, in a situation of a lasting situation of overaccumulation of capital and, first of all, of a lasting situation of overaccumulation of financial capital.

The third aspect is the following. This state of affairs became as much profound and lasting than, when the crisis of 2007 to 2008 erupted, the remedies brought increased capital overaccumulation instead of reducing it.

With the Paulson Plan and all the subsequent arrangements, particularly in Europe, it was the banks and financial institutions responsible for the 2008 crisis that received most of the public aid, on the pretext that they were too big to fail. However, the households, completely ruined, did not receive any help. The security of financial operations at the global level has been left to the care of morality. Almost nothing has been done in this regard.

The continuation of this economic crisis is a social crisis of very large magnitude. As the response to the crisis has been the amplification of the initial overaccumulation, it has resulted in a strong tendency to increase capitalist exploitation at the level of actual production. The new theories of the firm's value have stressed, under the conditions of financial globalization, the need to overexploit the working labor force and to obtain higher rates of profit.

The consequence of these phenomena is that the imperialism of financial globalization has spawned and nurtured the formation not only of an economic crisis but also of an unprecedented social crisis. It is not just the working classes that are now affected by unemployment. They are also the traditional and new middle classes. The election of Donald Trump as President of the United States illustrates this phenomenon.

Third Part: The Current Crisis of Financial Imperialism Is a Profound Political, Ideological, and Moral Crisis

Contemporary imperialism is affected by a political crisis, which is manifested in a number of ways. Here, we must distinguish what I call the main crisis, or the heart of the crisis, and the secondary crises.

The Main Crisis

The main crisis concerns the United States, which is the center of gravity of imperialism.

1. It is first and foremost a crisis manifesting itself in the behavior of the President of the United States. The personality of the current president is not only responsible for this. The president of this country does not do exactly what he wants. He is “framed.” Very recently, everyone was able to note in relation to North Korea how aggressive its initial position was, but how much it had evolved in favor of a meeting in Singapore with the very one he was publicly considering the assassination of. At the end of the Singapore meeting, it appears that the United States has lost the game with North Korea. South Korea is no longer, far from it, a reliable pawn of the American strategy of Asian domination.

We can also observe this kind of contradiction between Trump’s policy of humiliation of the Russian nation and the request, from this president, to re-enter Russia into the G7. The imperial position of the United States is at this point weakened that the character in charge of his daily promotion no longer knows how to express it with clarity.

2. The political crisis of contemporary imperialism is also visible, considering the position of the United States as the leader of world imperialism. This position of leader is still recognized by its partners in capitalist countries but gives rise to a growing challenge on their part. Here are three illustrations.

After 1990, the leaders of the United States believed that they had definitively conquered the world. They have initiated several liquidation wars of local leaders who wanted to take better advantage of the sale of their resources, especially oil. That is how Iraq and Libya were struck off the map. But their allies, European or Asian, were reluctant to settle the bill that was presented to them by the US government.

Very recently, the President of the United States has called for NATO spending to be better distributed between America and its European partners. But the richest of them, Germany in the first place, refused to contribute to these expenses. Mrs. Merkel and the German big firms are also reluctant to buy the gas from the Americans and prefer Russia’s oil and gas.

My third example is the following. The American leader, whose strategic action in the Middle East is mainly directed against Iran, has threatened the large multinational capitalist corporations with severe economic sanctions if they stay in this

country. These multinationals obey, knowing that the loss of the American market would, for them, be very fraught with consequences. But their departure has the effect that they are immediately replaced in Iran by the giants of the opposing camp, in particular Chinese. The fact that Iran has finally asked to join the Shanghai Cooperation Organization is helping to weaken the political position of the United States as a leader in world imperialism.

3. The political crisis of the imperialization is a crisis in the relationship of the United States with the developing countries. When Soviet socialism was annihilated, the developing countries lost the counterweight that allowed them to exist on a global level.

The United States, whose bourgeoisies undoubtedly continue to dream in the terms of the 1990s, refuse with all their strength that their international dominant position is challenged. However, this position is increasingly untenable. In the space of 30 years, many changes have occurred in favor of the developing countries and against the capitalist developed countries and their American leader.

In response to the financial crisis of 2008, the G8 members were forced to recognize the existence of a much wider forum to review international issues, the G20. From 2009 onward, the BRICS group (Brazil, Russia, India, China, and South Africa) met regularly and represented a proposal force within the G20. The Shanghai Cooperation Organization, initially grouping five border countries of China, today expresses a broader ambition. The accession in 2017, from India to this organization, has enabled the improvement of relations between China and India. Following Iran's request for membership of the SCO, this organization tends to function as a form of Eurasian organization, increasingly solid. It is 40% of the world's population and 25% of world GDP, which, in trend, escapes the American grip. We can say that today, Asia, in the broad sense, is emerging in global geopolitics. China is actively contributing to this emergence.

Secondary Crises

Since I am speaking in Berlin today, I have to say a few words about the European Union. Far from having brought peace to the European continent, the main effect of the European Union has been to increase tensions between the people of Europe. It has helped to strengthen their exploitation by the great capital. The banning of the national central banks from issuing currency, the introduction of the euro as a single currency, and the 2006 agreement on indebtedness not to be exceeded had the effect of impoverishing all the people of Europe, including the German people and to strengthen the great capital implanted in Germany. Today, the European Union is in crisis, on one hand because of Mrs. Merkel's unwelcome decisions

concerning the reception of migrants from Africa and the Middle East and on the other hand because of the unbearable economic contradictions that the functioning of this union has engendered. I think, dear friends and German comrades, that we must get out of this trap of the European Union and rebuild a Europe on the basis of the real sovereignty of the peoples. The European Union is in an open crisis. But she is not dead yet. We must hasten its end.

Conclusion

I have failed to deal with many important aspects of the crisis of imperialism, especially terrorism. I beg your pardon, because in reality, I have been too long.

To conclude my remarks, I would say that the leaders of the great bourgeoisie in the world were able to believe, after the bankruptcy of Soviet socialism, that the imperialist construction after World War II was invincible. In reality, a profound and lasting crisis is destroying this false hope. But the dangers are still numerous because it is both the crisis of a system and the crisis of a relative position, that of the United States, determined not to lose anything whatsoever in the system to come.

The United States and China are on the front line, face to face. However, China is not alone, while the United States and its allies tend to be increasingly isolated and in conflict with each other.

One of the most important tasks of Marxism will be to explore this evolution in all its aspects, not only economic and political but also sociological, technological, moral, cultural, and diplomatic. Certainly, the new world is looking for itself. But the peace forces must prevail. They have no choice, and they can do it.