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Economy

A capitalism in crisis, predatory and authoritarian

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Capitalism is in deep crisis, with extremely low growth rates. This is the basis for resolutely anti-social policies, increasingly authoritarian and predatory, as seen in the first months of the Trump presidency.

When we contacted you, the starting point of our inquiry was the economic situation in Europe. Since then, the arrival of Trump has forced us to look at the situation more globally.

The European situation can be understood in a much more global context. This is a particularity of the times: there are still quite strong forces of dissociation within capitalism, even though we are emerging from a period of globalization and interdependence of all forms of capitalism. It is quite difficult to understand the dynamics in each region independently.

What can be said about the economic situation in Europe, the growth, or rather the near-recession affecting it?

Let's look at the long-term dynamics of growth and then return to what's happening now. There has been a slowdown in global growth over the past five decades. In the 1960s, global growth, calculated by the World Bank, averaged 6.2 per cent per year. Today, it's around 3 per cent. In half a century, global growth has been halved, according to the World Bank. This means, very concretely, that the rate of capitalist accumulation has been halved. This little-discussed element must be emphasized, because on the left, we often focus on the increase in the wealth of the capitalist class, and on the right, they reassure themselves by considering that growth is continuing.

But the underlying dynamic is that of a slowdown in growth, in advanced countries and particularly in Western Europe. In the latter, it is around one per cent (Spain being a special case). The pace of growth has been divided by 6, it is an extremely sharp and continuous slowdown: during the first crisis of the 1970s, we went from 6 per cent to 3-4 per cent, there was a slight reacceleration at the end of the 1990s, and we fell back to around 2 per cent before the 2008 crisis. Since the 2008 crisis – with differences depending on the country – growth has been between 0 and one per cent. In France, the last time 2 per cent growth was exceeded was in 2017 and that was the only year between 2008 and 2024.

These are therefore historically low growth levels. One per cent growth for an economy like France is close to stagnation, and this is all the more true given that we are not seeing any recovery momentum, even though we might have believed so after the health crisis. But in most Western countries, and in Western Europe in particular, real GDP is now below the pre-health crisis trend and even more so compared to the 2008 crisis. For France, we are 14 per cent below the pre-2008 trend. For OECD countries, the gap is 9.5 per cent.

This is an extremely important picture, because it means that all the promises based on restarting growth, and all the policies that have been implemented to restart growth – policies of social repression and policies to support economic activity, direct subsidies to the private sector, monetary policies – have in reality only served to slow the deceleration, but have not stopped it.

The European situation is therefore one of extremely low growth, including in terms of GDP per capita – and this is also true for Spain, which currently has growth of 3 per cent, but has seen its GDP per capita stagnate for ten years. There is no intrinsic value creation.

We are therefore in a situation of near-stagnation, and some countries are actually stagnating. This is the case for Germany—the largest economy in the eurozone and the third largest economy in the world—which has been virtually stagnant since 2018, in other words for seven years. Its real GDP increased by 0.7 per cent over this period. This is the result of a general underlying movement specific to global capitalism, and European capitalism is at the forefront of this global slowdown.

Some economies are doing a little better because they have some advantages. Technology allows the United States to capture a little more value, and its imperialist power gives it access to markets. China uses its state power to invest in new technologies and infrastructure, and labour costs are still very low. Some countries, like Indonesia, combine low labour costs with the presence of raw materials. So there are still areas of growth, but this growth is often insufficient for these countries, and other areas suffer: it's as if the pie isn't growing fast enough anymore... this leads to problems in the distribution of portions.

We find ourselves in this situation of near-stagnation, with almost non-existent growth prospects. What are the drivers of European and French growth today?

In France, the impact of industry, contrary to what the government claims, remains extremely weak. It's a niche, centred on a few sectors that can boost the figures and also depress them. There's rail transport—a few TGVs are sold, but the sector is becoming extremely competitive, with the presence of China, Spain, and Italy—or the construction of cruise ships, but it's very limited; the slightest delivery produces an economic upturn that gives the government the opportunity to claim that its policy is working. In aeronautics, there's real momentum, but with the environmental consequences that we know.

The bulk of the French economy today is 55 per cent consumption and 80 per cent market services, which most often depend on household consumption. The very low growth is bought by the state through subsidies, massive tax cuts – between 160 and 200 billion per year – to subsidize hiring – thus a bit of redistribution of purchasing power – and investment which often, because we are in a service-oriented economy, does not lead to productivity gains. This is the essential point, which is general to contemporary capitalism but very problematic for Europe: this slowdown in growth has as its underlying factor in the slowdown in productivity.

There are two ways to create surplus value: relative surplus value and absolute surplus value. If relative surplus value is low, that is, if productivity does not increase – and in this case in France, Germany, and Italy, there are virtually no productivity gains – the only way to have, to produce surplus value is to increase absolute surplus value, that is, to increase working time, worsen working conditions, lower hourly wages, etc. The mantra of our leaders, which is to "work more," thus aims to increase working time.

But even that won't be enough, because the productivity gains thus created are extremely low. To make a profit, the solutions are then direct state aid, predation of public services, predation via rent systems (this is what we see, for example, with technologies where you are made to pay for the use of your own data) but also everything we call utilities (community services, water, electricity, energy, etc.). Rent is those practices that consist of selling subscriptions for anything. You are made to pay for things you don't want to buy because they are trying to circumvent recourse to the market to have direct access to money. The goal is to somehow circumvent the traditional value production scheme because it is no longer capable of producing sufficient surplus value.

This development of rentier capitalism, this predation on the state in economies like the European ones, which depend heavily on both social transfers and wages, contributes to weakening household demand and making people insecure. Households see their compulsory spending increase, turn to precautionary savings and reduce their "arbitrable" consumption, which in turn results in an even further reduction in growth, in a vicious circle.

At the same time, investments are low and, above all, of very poor quality. The supposed investment boom observed in French statistics between 2018 and 2022 concerns almost exclusively maintenance investments, without lasting effects. This is one of the factors at the heart of the problem with contemporary capitalism: the technological revolution of the 1980s to 2000s did not produce productivity gains. When investments do not produce productivity, you end up with expenses that do not produce value, you are in debt, and you do not even have the means to repay the debts. This is a bit like the situation we are in now, with the development of what are called "zombie companies."

The second very important element, particularly as regards Europe, is the case of debt, both public debt and the private debt we have just discussed. Since private debt finances non-productive investments in the true sense of the term – that is, they do not improve productivity gains or do not improve them enough – it cannot be repaid, and it is therefore public debt that serves to support an almost artificial economic activity. This has existed since 2008, but it became enormous with the health crisis: unconditional and general support for businesses was developed – real direct support for their profit rate – and part of capital has become dependent on this support. This support replaces the production of value; it does not promote the production of value.

Consequently, it does not enable the creation of new tax revenues. Tax revenues are therefore insufficient to cover expenditure. That is how public debt increases and the pressure of financial markets on Western countries becomes stronger, particularly in France. Here too, we are entering a vicious circle, with austerity further hampering growth.

What we're seeing is an absolute failure of neoliberal policies, of the neoliberal promise that by liberalizing the labour market, they would produce both employment and growth. In reality, they have produced low-paid, subsidized, and very low-productivity jobs. With low-productivity jobs, you can't raise wages. And when you have pressure on transfers of funds from the state to the private sector, pressure from the economy, or any other pressure from financial markets on private or public debt, it leads to a collapse.

You end up with jobs that are precarious not only in the sense that we generally understand it, but more fundamentally because they depend on a context where these jobs have a problem of their own existence, linked to their lack of profitability. Unlike the previous period, during which the creation of industrial jobs led to extremely productive jobs, which multiplied the surplus value. Today the surplus value extracted from each job is extremely low, which is why all jobs are subsidized, and this is why those who govern us say that we must lower what they call charges – socialized wages, taxes – and they demand that the state even pay part of the salary! We saw this during the health crisis, when the states paid them directly.

Europe is a caricatural version of this situation, but it's a problem that can be found in the United States, in Japan—even before the crisis—and, to a certain extent, in China. It's a common element of global capitalism, a capitalism of stagnation that is taking hold. Economists indicate that current growth rates are higher than those of the late nineteenth century. But since then, accumulation has accelerated, and to go backwards would weaken the entire system, which is designed to constantly accelerate, not slow down. The neoclassical economists' dream of "a soft landing" is impossible: in the capitalist system, there is no possible equilibrium; it's a system of headlong flight forward.

At the end of the nineteenth century there was the possibility of colonial predation, which developed at a great speed, and this no longer exists in the same way today

Exactly. At the end of the nineteenth century, there was a major crisis between 1873 and 1896. The response provided by capitalism at the time was imperialist predation. But there was, in parallel, a real technological revolution in the late 1890s, the internal combustion engine and electrification. This took 60 to 70 years to develop, until the development of mass markets.

Capitalism survives because, at some point, there is a boost in productivity provided by one or more combined technological changes. This was the great dream of neoliberals, with the computer and the internet.

But there, it doesn't work...

If it had worked, we would have productivity gains that would be at least equivalent to those when we had electrification and the internal combustion engine. Perhaps not the 6 or 7 per cent of the 1970s, but at least productivity gains of 4 or 5 per cent. Currently, productivity gains exist, but they are limited to industry and are rather weak. But the problem is that, at the same time, it is the least productive sectors that are growing the fastest, and therefore overall productivity gains are declining.

There are many possible explanations. Aaron Benanav (*L'Automatisation et le futur du travail*, Editions Divergences, Quimperlé, 2022) believes that it is precisely tertiarization that is causing these drops in productivity gains. Jason E. Smith (*Les capitalistes se rêvent-ils de moutons électriques?* Editions Grevis, Caen 2021) distinguishes between productive and non-productive services and places this drop in productivity within a logic of an overall reduction in the rate of profit.

This development of non-productive services is a direct response to the weakening of overall growth. When you have less and less growth, you have two possible forms of response: the surveillance of customers and workers on the one hand, and what he calls the sphere of circulation (marketing, advertising, etc.), on the other. These are completely non-productive services that are paid for with the productivity that you will generate "thanks to them." But they are a burden on capital and they lead, in fact, to a decline in productivity, which exerts pressure to develop these services even further.

Without going into details and theoretical debates, the question is whether this decline is a profound and irreversible trend or – I know you like Mandel – whether we are in a long downward wave and a technological innovation (for example AI) or another non-directly economic factor is likely to restart productivity gains at the general economic level.

This is where I have doubts. Because even if you replace corporate lawyers or business and financial advisors with AI, you are breaking with a promise of capitalism that workers would move upmarket, that the worker whose work was mechanized would get a job in an office. Today, the only thing capitalists have to offer as an outlet is precisely low-end service jobs. Moreover, on a purely economic level, since not all of these jobs are inherently very productive, it is unlikely that we will gain much in productivity. This is an important element because libertarians, Trumpists, and what remains of neoliberals will try to make us believe that there is still a future in capitalism.

How do you analyze the wave of layoffs last November-December?

It's extremely simple: after Covid, there was a fairly significant increase in employment, but without growth, in the context of a deterioration in productivity. These jobs are only sustainable if, at some point, you have an acceleration in growth. They were created thanks to public aid, and the wave of inflation which, in many sectors – particularly the distribution sector – made it possible to offset the drop in volumes with an increase in prices and therefore an increase in their margins.

So there was an opportunity to hire more people than necessary, employees who didn't fit in at all with production. Some employers must have wanted to take advantage of the windfall of public aid to improve their tools in case there was an acceleration in demand following the health crisis. In 2021, a large part of the population believed it: there was 6 per cent growth, they imagined a return to the roaring twenties of a century ago, Bruno Le Maire told us it was

going to be fantastic. We shouldn't rule out the possibility that capitalists believed their own rhetoric and therefore anticipated strong growth. But this strong growth never arrived, public aid had to be redeployed for budgetary reasons, demand was almost sluggish, and all these jobs were a burden on profitability.

There were hundreds of thousands of layoffs in France...

It was enormous, but it's logical: this overhiring was an anomaly. The abnormally low unemployment rate in relation to the country's overall activity resulted in a drop in the country's productivity, and this drop in productivity is only sustainable if you have an equivalent or greater increase in the following years as a counterpart. If this increase doesn't happen, you have layoffs and a form of return to normal.

With a reorganization of the workforce in the process, because they recruited younger people and now they are going to fire the old ones...

Yes, they smooth things out: they remove the high salaries and keep the lowest ones. Their obsession is absolute added value. So they have to hire people with lower hourly wages and with more precarious or at least more flexible contracts. When you hire today, given the labour law reforms that have taken place, it's easier to manage than with people who signed contracts 20 or 30 years ago.

These job cuts are taking place in industry, the automobile industry, commerce, etc.

Industry is the hardest hit because it received a lot of help. Commerce is also being hit hard because the situation is disastrous: sales in retail were catastrophic in 2022-2023 and have improved very little in 2024, there have been a series of bankruptcies and it's not over yet. In large-scale distribution, they had hired thanks to price increases... but this "profit inflation" has its limits and they were forced to stop playing on it, so their profits are now under pressure. And then companies have started to reduce orders to their suppliers, so all business services are going to be affected. Households hit by unemployment will no longer have recourse to personal services – childcare, etc. – and that represents a lot of jobs in France...

France, Germany, and Italy are the three most affected regions, right?

Germany is being hit hard even though it is still in the midst of its industrial crisis. Germany's economic structure is completely different from that of France: in Germany, industry still accounts for 20 to 25 per cent of GDP, and it represents an entire economic fabric. A wave of layoffs has begun, even though Volkswagen ultimately didn't close any factories. The country lost 100,000 industrial jobs in one year. In Germany, people are extremely worried because the country's model is based on very high-end manufacturing, which provides both a lot of added value and high wages that then feed into the rest of the country, especially the service sector.

Germany's case is unique because it's a crisis linked to the rise of the Chinese economy. Germany avoided the European crisis for a very long time because it provided China with the means for its growth, notably machine tools (and obviously luxury cars). When China organized its recovery plan after the 2008 crisis to save global capitalism, orders for German industry picked up very quickly from mid-2009 because they sent machine tools to China.

The problem is that China is changing its economic model by moving upmarket. It is manufacturing more cheaply goods that Germany used to produce. Their quality is starting to get closer and closer to German quality, and therefore a market for German production is disappearing. Furthermore, Chinese competitors are taking market share in the global market, for example in solar energy. Germany had a thriving industry in this field, and then China

started selling the same product more cheaply and took over the entire market. It is practising a bit of dumping: it is overproducing, lowering prices very sharply, and German manufacturers cannot keep up, since, for the same or slightly lower quality, Chinese prices are 30 per cent lower.

Germany has really completely missed the boat and has settled for marginal innovations to justify its high prices. Furthermore, between 1997 and 2013, there was German wage dumping—wage stagnation—that completely devastated all their European competitors, and they found themselves facing Chinese manufacturers who only had German industry as possible suppliers. That's over. The most obvious case is the electric car: while German manufacturers were trying to rig diesel engine tests, the Chinese state subsidized electric cars—and when the electric car became a mass-market product, the Germans weren't ready at all.

To return to Mandel, it is true that we generally consider that the return to a long wave of growth is linked to exogenous factors, either major technological discoveries or exogenous political factors... That changes the focus, but how do you analyze Trump's initiatives, the customs duties, the desire for annexations and his attacks on the state apparatus?

That's really the question. To be somewhat in this theoretical space and to make the connection with Trump: if you actually have a long-wave system, and if we're in the trough of the wave, to put it rapidly, we're going to have a war and then it's going to rise again because we're going to have to rebuild. But the problem is that the current trend is one of very long-term weakening, which means that even if we start again through exogenous – or endogenous – factors, the internal dynamics of capitalism are so weakened that I'm not sure we can start again very high. This is ultimately what we saw with the health crisis, even though the productive tool had been preserved. The catch-up was rapid and the weakening trends have become significant again.

This poses an even greater problem in political terms: even those who have ideas for maintaining their rate of accumulation will find themselves, no matter what, facing a strong underlying trend that pulls accumulation downward. For example, in Ukraine, after the war, you will have reconstruction and Ukrainian GDP will surge, it's logical. But in reality, if Ukraine becomes a place of cheap production in Western Europe, it will take the place of another country. It's the logic of the cake that is no longer growing .

The Second World War revived capitalism because there was also a technological change, a change in the scale of production, the second industrial revolution that needed to be disseminated. And the war accelerated this dissemination. And because there was, in parallel, the possibility of a development of mass consumption, which began at the end of the nineteenth century but only really developed after the Second World War, largely for political reasons.

There were then internal dynamics within capital, and external dynamics allowed everything to restart. Today, there isn't even that: there is something in the order of the downward trend in the rate of profit and that is linked to the question of productivity. At a certain point, you have a force that pulls this productivity downwards, which is what we call the organic composition of capital: you have reached a certain level of productivity while your capital costs a lot and the profits you make no longer allow you to earn enough surplus value. The interest in productive investment declines, and the only way to have growth is to increase absolute surplus value.

In the United States, we hear that their 2.5 per cent growth is fantastic, but it's not at all the growth rates they had in the 1950s and 1960s or even the 1980s. Similarly, Spain has 3 per cent growth, but it was 4 or 5 per cent in the 2000s. And our government tells us that we're the champions when we have 0.8 per cent...

I think that a large part, if not all, of capital is aware of this situation, and that's why, in my opinion, we're emerging

from neoliberalism. They've understood that developing markets and liberalizing them doesn't work. It can be used to develop certain public policies, justified with the old arguments—pension reform, the upcoming liberalization of the labour market, etc.—but that's no longer the heart of the problem.

The heart of the problem is actually twofold. On the one hand, part of capital—particularly productive capital, market services, and many industries—currently depends on direct state aid—subsidies, tax cuts, and so on. If you remove this aid, they have nothing left, there are no more profits, there is no more economic activity. And that's also true in China, because we're in a near-crisis of industrial overproduction.

On the other hand, there is another strategy which consists of saying that, since it is very difficult to produce value in the traditional way from labour, we will circumvent this system and produce value through rent. An entire sector is precisely targeting this rent system, this system of predation of both resources and markets. As an individual capitalist, it's perfect: you can absorb all the falls in the overall rate of profit if, for your part, your personal profit depends solely on the obligation that people have to pay you in order to be able to live normally. This is in fact a deception because this money itself depends on the overall rate of profit. But it is a strong illusion in these sectors.

It's not a strict division; some sectors—like finance, for example—have one foot in and one foot out, because credit obviously depends on economic activity, but part of finance is completely disconnected from the productive system. So, broadly speaking, we have these two strategies.

What is the political theorization of these two strategies? For productive sectors, the political translation is a state that destroys both the welfare state and working conditions in order to have as many resources as possible to subsidize the private sector. This implies a policy of social austerity and a transfer policy—what we experienced with Covid: a "social security policy for corporate profits."

For the rentier sectors, what interests them is not being helped by the state because today they are almost at the same level as states, therefore in competition with states. Big Tech and large extractivist companies are competitors of the state, which hinders their development: you have to obtain drilling rights when you are an oil company, there are regulatory problems when you are in technology... The idea is therefore to empty the state of its substance, to keep only what is needed at a minimum and to replace the state with companies. This is the "minarchic" ("minimal state") or anarcho-capitalist regime, which replaces the state with companies that make profits and replace its major functions. This is exactly what is happening in the United States: Elon Musk arrives with these young greenhorns from Silicon Valley whose only experience is in rentier businesses and who take the American state and strip it down to keep only what interests rentier capital.

There are, however, points of connection between the two major strategies: tax cuts, the destruction of protection for workers and the welfare state... In other words, social repression.

So there is a form of acceleration of the neoliberal phenomenon, but also a headlong rush: to compensate for this continual weakening of growth, there will be a ransacking of the state. For industrial companies, this is problematic because if you no longer have state transfers, you have a survival problem. And also a problem of dependence on rentier sectors, because industrial companies depend on technology companies, electricity and water supply companies, etc., so they become a form of sub-sector.

This competition within capital can be resolved in certain cases by social repression that suits everyone a little bit – this is a bit like Macron's policy today: we maintain aid to businesses by engaging in social repression, and broadly speaking, since we don't increase taxes, rentier businesses are also satisfied. This is possible in France because it is mainly commercial services that drive the economy, and there are no tech giants. It's a little different in the United

States: because of the place of tech giants in the American economic model, there will be a much stronger conflict between the two parties. Protectionist policy can attempt to find an internal compromise within capital, but some Big Tech companies have feathers to lose there...

With one hand Trump imposes tariffs and with the other he cancels them...

The first reading is that these tariffs are classic protectionism aimed at protecting the entire national capital against foreign capital with a view to relocating production to the United States. And thanks to the revenue from the tariffs, the state lowers taxes and everyone is happy internally. This is what the United States did in the first phase of its development after the Civil War: it developed sheltered by massive tariffs, and this is Trump's benchmark.

The problem with this hypothesis is that there is a contradiction in terms. Tariffs are supposed to discourage the importation of products into the United States. But Trump is going to lower taxes thanks to the proceeds of the tariffs. So, if reshoring goes ahead, the revenue from tariffs decreases and the tax cut cannot be financed. Moreover, to reshore, you need tariffs high enough to compensate for labour cost differentials. Between a Mexican worker and a US worker, the difference today is around one to six per cent, not 25 per cent. If you reshore, you will therefore have price increases. And since the US labour market is already tight, you will have wage increases, thus putting pressure on the profit rate of industrial companies, which is not necessarily sustainable as it stands and will result in price increases that will be much greater than the 25 per cent increase in customs tariffs...

This first hypothesis should not be completely dismissed. It is possible that this is Trump's plan. We would then be on a Macroni-style plan: trying to make peace within capital while simultaneously giving industrialists protection and rentier capital the tax cuts it wants. But this is doomed to failure.

The second hypothesis is that these choices are actually political. The United States has a problem: its economic model is based on an 80 per cent market service economy, with a high-end technology sector that is extremely profitable, extremely powerful, and ahead of all others. It's a very small part of the US economy, but it's an extremely important part because it produces a huge amount of value. The problem is that today, China is catching up with them—we've seen that with AI.

I'll make a small aside that I find interesting: for years we've been sold the idea (especially by the Macronists) that to innovate we need tax cuts for entrepreneurs, we need to caress them, bring them coffee, people shouldn't be overpaid, we need public aid, we need orders, etc. But in reality, it's completely false: it's when you have constraints that you innovate, it's when there's something blocking you that you have to find a solution. This is exactly what happened in China: the researchers said to themselves "we don't have the microprocessors, we can't have this strategy (a strategy that is also delusional from an ecological point of view, which is to increase computing capacity), so we're going to find a solution to make do with what we have." The American nightmare is that the Chinese are now able to innovate more cheaply with almost equivalent quality and will therefore take markets from them everywhere, even in AI.

Until now, the United States' strategy for maintaining its hegemony was to move everywhere, with the war in Iraq, Afghanistan, troops in Europe, etc. Now it's about building a real empire, that is, with networks of vassals who will come and consume its products, particularly its tech products, its oil or its liquefied gas. And who will have no choice.

We find what I was saying about rent: the challenge today for a part of American capitalism is to avoid competition, therefore to build not a large transatlantic and transpacific market as in the days of neoliberalism, but an empire: a centre and peripheries where each has a role to play vis-à-vis the centre. Today, obviously, this is not the case: Europe is entering into free trade agreements with other countries. But if the goal of the United States is for each

country to serve the metropolis, the heart of the empire, tariffs are a means of pressure. This is an explanation of Trump's current game: he puts them in, he takes them back. When he takes them back, people say he's a clown. He may be a clown, but he sends the message to the Mexicans and Canadians: I can take them back, but obviously they'll have to accept conditions, otherwise I'll put them back in. These conditions will be market access, for example in Europe. We know very well what he is aiming for: the elimination of all regulations on technology, the monopoly on liquefied gas, access to the defence industry market (and so when he says that 5 per cent of GDP must be devoted to defence it is to buy from the United States)... We can even imagine that they will get all of American capital to agree by saying to its periphery: we have industrial products that we want to sell and you will join our supply chain, on our terms.

The tariffs would then be intended to put pressure on the peripheral countries of the empire to vassalize them even more. This is something that may seem completely counterintuitive, but in fact it targets its allies before targeting its enemies because it is in the process of constituting an imperial bloc and when this imperial bloc is constituted, it will be able to go into confrontation with China (China which is in the process of doing exactly the same thing, in less violent and less clownish forms, with the "new silk roads" which are forms of influence and dependence on debt). But here too, it is very risky: the influence that these tariffs will have on Mexican or Colombian growth could lead Mexico and Colombia to seek Chinese support for example... but if China sets foot in Mexico or Colombia, it becomes extremely dangerous. So we must not ignore the dangerous nature of the personage either...

How do you explain the *Wall Street Journal's* extremely aggressive editorial against Trump's choice on taxes—it's the newspaper of financial capital, after all—and the fall of the Dow Jones index in the face of these announcements?

We're back to the discussion we had earlier: we're dealing with people who are trying by all means to maintain their profit rate but who are facing permanent contradictions. Musk is faced with the fact that he has relocated part of his production to China, that the Chinese market is important to him, and this is what is causing Tesla's share price to decline. Under Trump's leadership in the late 2010s, American capitalism was structured precisely around Mexico and the supply of Mexican products—but today, with tariffs, the supply chain of American industrial capitalism risks being completely disrupted. This isn't logical, and the *Wall Street Journal's* reaction shows that these circles are facing a contradiction from this point of view. But this is also why it's very political. If it were a purely economic choice, Trump's promise that Wall Street's losses would be offset by the guarantee of accelerated growth would be credible. In reality, the real promise is that of the creation of a centralized empire whose economic gains remain uncertain.

The state is the representation of the collective interests of the bourgeoisie because, being only a sum of capital, it cannot express its collective interests...

Exactly. And so when – as is the case today – it is a question of interests that diverge between sectors (and I have only mentioned two major contradictory aspects, but in fact we can find dozens of divergent interests within sectors), what is interesting is that these divergent interests also reflect these contradictions, that is to say the limits of the capacity they have today to counter the underlying trend towards weakening profitability.

The presence of a madman at the head of the State also allows for radical decisions to be taken, even if a part of the bourgeoisie does not consider them relevant at the time. It takes a bit of audacity...

Much of the dominant capitalist discourse tries to hide the gravity of the situation from us and make us believe that there is no alternative. But the situation is so critical that they can only try to get out of it by making radical decisions that will have consequences for some members of their class. There is an aspect of despair; it is also a symptom of the crisis of the capitalist regime...

Not to mention the ecological crisis...

I think we're in a crisis of the capitalist regime because neoliberalism, which was the way capitalism was managed until now, is exhausted, and we therefore need to find a new way of managing and a new way of hegemony. This is where empire replaces the market, and perhaps it won't work. In times of crisis, there are always fumbblings: during the 1929 crisis, there was a period of protectionism that didn't really work, then the New Deal was actually made up of three phases: after advances and stops, a new crisis leads to the idea that the only solution is to produce tanks...

In times of crisis, there is naturally a lot of confusion because we try solutions and these solutions do not always prove effective and sometimes fail outright. Today, since there is only capitalism, only capitalists try things. But if, for example, in an ideal world, workers started trying things, everything would not happen overnight, there would be failures, we would go backwards, we would move forward...

The real singularity of the current crisis is, in my opinion, its multifaceted nature: there is this economic crisis that has been much discussed but which – as you said – is in fact added to an ecological crisis that is the product of the mode of production. We clearly see that Trump is going to throw away all the meager concessions made to ecology and the environment. In an attempt to save capital.

In the article "Ecosocialist Strategy in Turbulent Times", Martin Lallana Santos says that exits from the crisis of capitalism generally require a tenfold increase in energy production... (« Stratégie écosocialiste en période de turbulences », Martin Lallana Santos, June 19, 2024, *Inprecor* n°729 “)

Obviously. And once again, let's not forget that Trump's reference is the end of the nineteenth century: oil wells everywhere. What is certain is that he will tear down ecological standards, and not just in the United States. He will push for the same thing in Europe, Latin America, and all the countries dependent on the United States. Moreover, European leaders are already starting to say that they have gone too far, that there are too many norms. In reality, behind this is ecological destruction because we must not forget that the ecological crisis is not just global warming. It is the destruction of biodiversity and the viability of our species that is at stake. The ecological crisis is denied because priority is given to accumulation.

There is also the social, societal, and anthropological crisis. The reactionary wave does not come from nowhere. It comes from the fact that capitalist society is sick from what it has produced, that is, from overconsumption, which not only has deleterious effects on the environment, it also has deleterious effects on human beings who are permanently impoverished by this overconsumption: the more you consume, the more you lack something. What we experienced with the inflationary crisis is extremely interesting from this point of view. This frustration of not being able to be in this permanent consumer madness makes people unhappy and panicky. In the United States, growth is achieved by increasing rents, and therefore compulsory spending, particularly in health care. The commodification of health care is proof that growth and well-being are becoming divergent states. This is one element that partly determined the outcome of the American election: the Democrats campaigned on the basis of 3 per cent growth, and in the *New York Times* Paul Krugman explained to us every week that the United States was very prosperous and that there was no reason to complain... but people had to face these rising compulsory expenses.

More broadly, the injunction to consume is fundamentally unsatisfying. Trump is also the attempt to safeguard an unsustainable way of life with the false promise that it is a guarantee of happiness.

For a long time, Western capitalism was able to say that the standard of living was increasing and the quality of life was improving because production could focus on satisfying obvious needs. And then in the late 1960s or early 1970s, when we had more or less met all of people's basic needs, and even a little more, we still had to continue

selling goods. This is the moment when the needs of individuals are constructed by capital for its own reproduction. The needs of individuals are therefore permanently identified with the needs of capital. This is what causes both permanent desire, frustration, and profound loneliness. Societies are in trouble, even when growth resists, and perhaps even more so when growth resists! This is something that, for me, is part of the global crisis, a third pole of the crisis.

There's something a bit disheartening: when you try to resolve one of the poles of the crisis, you increase the other two. If you try to resolve the economic crisis, like Trump and other European leaders, you increase tenfold the ecological crisis and technological needs to make people even more dependent and even more neurasthenic... You try to resolve the ecological crisis? Then you can forget about your growth and your accumulation of capital. You try to resolve the social crisis? You put an end to mass consumption... In fact, you find yourself in a kind of continual impasse, and all of this is linked to a central fact: society is dominated by the need to accumulate capital and is therefore dependent on the clowns that capital provides us with: the Trumps, the Macrons...

In any case, I draw comfort from the fact that we have entered – Tom Thomas uses this term – a phase of senility of capitalism: we are in a system that functions worse and worse but which survives because it locks us into impossible choices. People are more envisioning the end of the world than the end of capitalism...

In the past, we have seen the decline of social systems—Rome, of course, but also the Polish Noble Republic in the sixteenth to eighteenth centuries—but each time it was centered on a region. But here we have a system that has truly been globalized; it is capitalism everywhere, even if its political regimes are a little different. There is also a tendency for liberalism to be more and more oppressive, less and less democratic, and there is the Chinese system, which is not a democratic system and never has been. In this situation, there is capital that is beyond the state, there are wars that are far from being solely local—Ukraine, Palestine/Israel, Congo—but for the moment, it is not a generalized confrontation. Do you think we can move towards a generalized confrontation to overcome the contradictions?

There are two things in what you say that I would like to come back to. The first, which is important, is the end of democratic capitalism. For a long time, we were told that democracy needs capitalism and we couldn't imagine one without the other. But history has taught us that capitalism and democracy are not at all the same thing, and are sometimes even contradictory. In a system in generalized crisis, in a global impasse, democracy is a brake on accumulation and we see everywhere today that they are trying to circumvent democracy, trying to turn it into an empty shell.

For historical reasons, it doesn't take—not yet—the traditional forms of classical dictatorship, but we are emptying democracy of its meaning. What Musk is doing is quite interesting from this point of view: they are not going to abolish elections, they are going to destroy the rule of law, take control of the media, and create a formal democracy emptied of its meaning. The most advanced model is Russia, with a regime that is becoming increasingly oppressive. We cannot therefore exclude the possibility that this will lead to a classical dictatorship. There are two things that point in this direction. The first is the logic of rent, which is a quasi-feudal logic: it is not a logic where people choose, where individuals are citizens, it is a logic where we must pay for services rendered indispensable... The second is the People's Republic of China. It is undemocratic capitalism and the only capitalist success of our time. I'm not even sure there is anything equivalent to China in the history of capitalism. So people say: if our problem is accumulation, we have an example before our eyes of a country that has achieved accumulation in extraordinary conditions: China, a one-party country.

Regarding the question of wars: if, indeed, in this low-growth regime, the pie grows less quickly, the portions are more difficult to distribute, and they intend to have a predatory logic on the little value created, then we must be able to politically control a greater number of portions. When China had growth of 10 per cent, the question of territorial

control was not important. But when growth has officially fallen to 5 per cent, and perhaps in reality to 2 or 3 per cent, and the Chinese Communist Party's promise is full employment and a standard of living equivalent to the West by 2050, it can no longer be satisfied with its internal growth. It must therefore ensure resources and markets that are not subject to the vagaries of competition. It must then take possession of them. This imperialist logic is the path of China, and it is exactly the same for the United States.

This is the return of brutal imperialism, that of the end of the nineteenth century : exclusive control of the territory is key, and Trump's obsession with Greenland and the Panama Canal is the pursuit of exclusive control of these riches. We can't say that Denmark is a danger to the United States or a serious competitor, but Trump doesn't want to take any risks and wants exclusive control. When you're in this logic of exclusive control, confrontation is inevitable... Will it lead to a generalized conflict? If we follow the global logic that war is the only thing that works to revive accumulation, why not. In any case, regional conflicts are already here. And Europe is at the centre of the problem. If the old continent becomes a simple pie to be shared between Washington and Moscow, then the conflicts risk being very violent. The United States' abandonment of NATO and the submission of a US security guarantee to vassalization could pave the way for Russian expansion and new conflicts in Eastern Europe. Today, there is no longer any international security.

I'm not saying NATO was great. It was another form of imperialism. But here, we're in something else, the only security you have is to be a vassal of the metropolis and to fulfill your role for the prosperity of this metropolis. This is what Trump says to Denmark and Canada: he says to two allied countries: "You give me a piece of your territory or I'll send my troops," or "If you want to be left alone, you come back and you'll be part of the centre."

And what about Europe in all this?

It is hard to see how Europe would be able to build something that could counterbalance American power and American blackmail, because Europe is paying the bill for its unbridled neoliberalism: it has exposed itself, it has deindustrialized, it has weakened itself. It has staked everything on its alliance with the United States and now finds itself facing Trump, who is putting a gun to its head. With another imperialist power at its door, Russia, which will take advantage of the slightest misstep to pounce on it. And imperialist China, which is just waiting to take over the European market.

We are in a complex situation, with no economic dynamics, completely fractured societies, and far-right parties that play for the Americans or the Russians, or both. We are clearly in a phase of decline .

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