Workers of the World, unite!

THE INTERNATIONALIST PROLETARIAN

ORGAN OF THE INTERNATIONAL COMMUNIST PARTY

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WHAT DISTINGUISHES OUR PARTY: The line that goes from Marx to Lenin, to the foundation of the Communist International and the Communist Party of Italy (Livorno 1921); the struggle of the Communist Left against the degeneration of the International, against the theory of the "socialism in a single country" and the Stalinist counterrevolution; the refusal of the Popular Fronts and the Resistance Blocks; the hard work of restoration of the revolutionary doctrine and organ, in contact with the working class, outside the personal and electioneering politicking.

AGAINST ALL THE HOLY ALLIANCES OF THE WORLD BOURGEOISIE

Faced with the development of the capitalist world that we have described, the movement of the proletarian class will only be able to resume its struggle if it understands that it cannot and must not mourn the outdated stage of liberal tolerance, of the sovereign independence of nations, but that history offers only one way to eliminate all exploitations, all tyrannies and oppressions: **the path of revolutionary class action which, in any country whatsoever, aligns the working class against the local bourgeoisie, with complete class autonomy** in political thought, organization and behavior, in combat action; **uniting the forces of the proletarians of the whole world across the frontiers of all countries - in "peace" and in war - in a unitary organism whose action will not stop until the complete annihilation of the institutions of capitalism.** *(Continues on page 24)*

Organic centralism: a vital question (III) (page 2)

*"**the party is for us, at the same time, a factor and a product of historical development**, and that, faced with the forces of the latter, the proletariat behaves like an even more plastic matter. (…) **Only if it knows how to act in the field of tactics and energetically reject the false ways with precise and respected rules of action, the party will be able to preserve itself from degenerations, which will never be achieved only with theoretical creeds and organizational sanctions.**"* (Lyon Theses, 1926)

The struggle of competition on the global board (page 14)

*"Does capitalism, as a social class, have the possibility of reacting to those incurable economic contradictions which are peculiar to it? **According to the classic Marxist critique, the bourgeois class will never possess a sure theory or scientific knowledge of economic evolution, and (by its very nature as well as by its raison of being) will never be able to establish a discipline over the irresistible forces which it itself has aroused**, like the classic apprentice-sorcerer who could not master the infernal powers invoked."* (The Historical Cycle of Capitalist Economy)

ORGANIC CENTRALISM: A VITAL QUESTION (III)

(Continues from "The Internationalist Proletarian" n.9)

"The party organization that allows the class to be truly such and to live as such, appears as a ***unitary mechanism in which the diverse "brains" (certainly not only the brains, but also other individual organs) absorb different tasks according to aptitudes and potentialities, all in the service of an objective and an interest*** *which progressively becomes more and more intimately unified "in time and space" (this convenient expression has an empirical and not a transcendent meaning).* ***Thus, not all individuals have the same position and the same weight in the organization: to the extent that this division of tasks is carried out according to a more rational plan*** *(and what is valid today for the party-class, will be valid tomorrow for society),* ***it is perfectly excluded that whoever is higher up has a privileged position over the others****. Our revolutionary evolution is not towards disintegration, but towards the increasingly scientific connection of individuals with each other.*

It is anti-individualistic since it is materialist*; it does not believe in the soul or in a metaphysical, transcendent content of the individual, but rather* ***inserts its functions in a collective framework, creating a hierarchy that develops in the sense of increasingly eliminating coercion, replacing it with technical rationality****. The party is already an example of a collectivity without coercion."* (Lenin on the path of the revolution, 1924).

Starting from the end, we seek the organizational cement of our discipline not in coercion (remember the voluntary nature of Party membership), but in the collective militant commitment to the achievement of the same end, inserting the functions of each party member in an organizational structure that rationally distributes tasks to guide our activity and results towards that end. To organize and carry out this collective work, as well as to distribute the tasks, the Party holds frequent meetings in each section and also general and regional meetings on an international basis. This work is developed in an anti-individualistic, non-personalistic, anonymous way. No comrade is exempt from militant work in all its manifestations and no one gravitates as a privileged above the others. If there are comrades who have the capacity or are in a position to assume tasks of greater responsibility, it will be because they will be those who can best organize a work and a thought that is not theirs but of the party and because they will assume the greatest sacrifices and the greatest commitment to the cause for which we are fighting. The opportunist conception is that the leaders live off the organization, the militant conception of Marxism is that we all live for the Party and for the communist revolution.

*"****The leaders and the leader are those who best and most effectively command the thought and will of the class****; necessary and active constructions of the premises that the historical factors give us. Lenin was an eminent and extraordinary case of this function, in terms of its intensity and extent. As wonderful as it is to follow the work of this man in order to understand our collective dynamics of history, we* ***will not admit that his presence conditioned the revolutionary process at the head of which we have seen him****, much less that his disappearance will stop the working classes in their path."* (Lenin on the path of the revolution, 1924).

In short, although in the distribution of tasks we take into account diverse aptitudes and potentialities, although there are comrades whose understanding, possibilities, commitment and spirit of sacrifice put them at the head of the organization at certain times and for certain tasks, we will never admit that the revolutionary process can depend on any Tom, Dick and Harry being present or, worse, on them being "democratically elected".

"These general elements of the question show how no one better than us is above the banal meaning of egalitarianism and "numerical" democracy. If we do not believe in the individual as a sufficient basis of activity, what value can a function of the gross number of individuals have for us? What can democracy or autocracy mean for us? Yesterday we had a machine of the highest order (a "champion of exceptional class", as sportsmen would say) and this could be placed at the highest apex of the hierarchical pyramid: today this does not exist, but the mechanism can continue to function with a somewhat different hierarchy in which at the apex there will be a collective body made up, it is understood, of selected elements. The question does not arise for us with a legal content, but as a technical problem not prejudged by syllogisms of constitutional law or, worse, natural law. There is no reason of principle for our statutes to write "leader" or "committee of leaders".

And it is on the basis of these premises that a Marxist solution to the question of the selection comes out: ***selection that makes more than anything else, the dynamic history of the movement and not the banality of elective consultations.*** *We prefer not to write in the organizational rules the word "leader", because we will not always have in our ranks an individuality with the strength of a Marx or a Lenin. In conclusion,* ***if the man, the "instrument" of exception exists, the movement uses it: but the movement lives on when such an eminent personality does not exist****. Our theory of the leader is far removed from the cretinies with which theologies and official policies demonstrate the need for pontiffs, kings, "first citizens", dictators and duces; poor puppets who delude themselves to make history."* (Lenin on the path of the revolution, 1924).

We therefore reiterate that the process of conformation of the Party and its structure is a process of selection and of material and dialectical maturation that derives from the whole past of experiences and practice of the unitary mechanism of the party. For us the exceptional leader is nothing but an instrument that the movement uses, but the movement will always be much stronger when such a personality is not necessary. The dependence of the continuity of the line on one or several persons will always be a great weakness. This is why we no longer want any Lenin, but a movement that from the center to the base understands, embraces and defends an invariant program. Our current always thought that the future revolution *"will be tremendous, but anonymous."* («Carlylian Ghosts»).

There will be times when we will have among us comrades with exceptional aptitudes and we will be able to incorporate these "instruments" into the common work, there will be times when we will be subjected to a repression that will limit our possibilities of communication, there will be times when groups of comrades will even be isolated for a time because of this repression or because of circumstances such as war. In the multiple circumstances in which the Party will have to develop and survive in the whole process that separates us from the triumphant revolution and even in the subsequent phase of the dictatorship of the proletariat, the Party will have to and will be

able to adapt its organizational structure maintaining its centralized character and a solid organizational discipline if, and only if, the unity of doctrine, program and tactics is maintained as an unalterable base, having expelled from its interior any democratic or personalist weakness.

Draft Thesis presented by the Left to the 3rd Congress of the Communist Party of Italy (Lyon, 1926)

The following series of quotations are part of the Lyon Theses (1926). The Lyon Congress was the first congress in which the opportunist direction of the Communist Party of Italy (the *ordinovist* current, headed by Gramsci and Togliatti - the latter later appointed Minister of Grace and Justice by the Italian Monarchy - hand-picked by the International) formally obtained the majority. How did obtain it? The opportunist leadership forbade the attendance of a whole series of delegates who were on the line of the Left (the current that founded and led the Communist Party of Italy until the degenerating International changed its direction taking advantage of the fact that fascism had imprisoned an important part of the comrades). Then, it was instituted that the votes of the absentee delegates would be counted in favor of the proposals of the opportunist direction. As simple and democratic as that. But we will not react to these maneuvers with the naive claim of a true democracy. As we have been explaining, it is a matter of understanding how these maneuvers are inextricably linked to democratic deception, which must be overcome forever. It is also a matter of understanding how the crises and degenerations of the formal Party are a material historical fact and that they have never depended on nor have they ever been avoided through the vote count of a congress session, but are determined by the hostile environment in which the Party must develop, which is first a product and only then a factor of history.

The Lyon Theses represent a point of arrival and a point of departure, the lessons of the experience of the tactical and then programmatic degeneration of the Third International. As in the case of the previous texts and bodies of theses, although we extract here a series of specific quotations to illustrate the question we have been explaining, they deserve and must be read in their entirety, thus apprehending the general interweaving between their different parts.

"2.- Nature of the Party. The historical process of the emancipation of the proletariat and the foundation of the new social order derives from the class struggle. Every class struggle is a political struggle, that is, it tends to lead to a struggle for the conquest of political power and the leadership of a new state organism. Therefore, the organ that leads the class struggle to its final victory is the class political party, the only possible instrument of revolutionary insurrection first, and of government later. From these elementary and brilliant affirmations of Marx, reestablished in their maximum evidence by Lenin, there arises ***the definition of the party as an organization of all those who are conscious of the system of opinions that summarizes the historical task of the revolutionary class and are determined to work for its victory. Thanks to the party the working class acquires the consciousness of its path and the will to walk it; therefore, in the successive phases of the struggle, the party historically represents the class, even if it has in its ranks only a more or less large part of it.*** *This is the significance of the definition of the party given by Lenin at the Second World Congress.*

This concept of Marx and Lenin is opposed to the quintessentially opportunist concept of the laborist or workerist party, in which all individuals who are proletarians by virtue of their social condition participate by right. Since in such a party, although numerically stronger in appearance, the direct counterrevolutionary influences of the ruling class (represented by the dictatorship of organizations and leaders, who may indifferently come as individuals from the proletariat or from other classes) can and in certain situations must prevail, ***Marx and Lenin have not only combated this fatal theoretical error, but have not hesitated to shatter the false proletarian unity in order to ensure, even in moments of eclipse of the social activity of the proletariat, and even through small political groups adhering to the revolutionary program, the continuity of the political function of the party in the preparation of the successive tasks of the proletariat. This is the only possible way*** *to achieve in the future the concentration of the greatest possible number of workers around the leadership and under the banners of a Communist Party capable of fighting and prevailing. An immediate organization of all those who are economically workers cannot rise to political, that is, revolutionary tasks, because each of the professional and local groups will feel only limited impulses for the satisfaction of partial demands determined by the direct consequences of capitalist exploitation.*

Only the intervention of a political party, defined by the political adherence of its members, in the lead of the working class accomplishes the progressive synthesizing of those particular impulses into a common vision and action, in which individuals and groups succeed in overcoming all particularism, accepting difficulties and sacrifices for the general and final triumph of the working class cause. The definition of the party as the party of the working class has in Marx and Lenin a historical and finalist value, not a vulgarly statistical and constitutional one.

Any conception of the problems of internal party organization that leads again to the error of the laborist conception of the party reveals a serious theoretical deviation, in that it substitutes a revolutionary vision for a democratic vision, and attributes more importance to utopian schemes of organizational projects than to the dialectical reality of the clash of the forces of two opposing classes; it represents a danger of relapse into opportunism. ***As for the dangers of degeneration of the revolutionary movement, and the means to ensure the necessary continuity of political direction in the leaders and militants, it is not possible to eliminate these dangers with an organizational formula.*** *Much less are they eliminated by the formula according to which only the genuine worker can be a communist, which is contradicted by the vast majority of the examples that our own experience has provided us with concerning individuals and parties.* ***The guarantee against degeneration must be sought elsewhere, if one does not want to contradict the fundamental Marxist postulate: "Revolution is not a matter of forms of organization"****, postulate that summarizes all the conquest made by scientific socialism regarding the first elucubrations of utopianism.*

On the basis of these conceptions on the nature of the class party, an answer must be given to the present contingent problems relative to the internal organization of the International and of the party." (Lyon Theses, 1926).

The text reaffirms the old Marxist thesis that the proletariat only becomes a class for itself with the constitution of the Communist Party, already enunciated in the Manifesto of the Communist Party. (1848). When asked about the means to avoid the possible degeneration of such a party, it is ruled out that this is possible by means of an organizational formula and the fundamental Marxist postulate is recalled: *"Revolution is not a matter of forms of organization"*. Next, it will be recalled that it is only in this Communist Party that the "inversion of praxis" can take place, reaching the maximum of consciousness and will. The **leaders are mere instruments and operators** of these collective consciousness and will**.** In other texts, the Left will compare the communist leader to a tramway driver as opposed to the idea of complete freedom in the choice of course.

"3.- Action and tactics of the Party. The question of how the party acts on the situations and on the other groupings, organs and institutions of the society in which it operates, is the general question of tactics, of which the general elements must be established in relation to the whole of our principles. In a second stage, the rules of concrete action must be specified in relation to each of the groups of practical problems and to the successive phases of historical development. (…) Only proletarian humanity - from which we are still far away - will be able to be free and possess a will that is not sentimental illusion, but the capacity to organize and dominate the economy in the broadest sense of the word. Still today the proletarian class - albeit less than the other classes - continues to be determined within the limits of its own action by external influences; on the contrary, ***the political party is the organ in which is concentrated, precisely, the maximum possibility of will and initiative in its entire field of action: not just any party, by the way, but the party of the proletarian class, the communist party, linked, so to speak, by an uninterrupted thread to the ultimate objectives of the future process. In the party, this volitional faculty, as well as its consciousness and theoretical preparation, are collective functions par excellence.***

With respect to the task assigned in the party itself to its leaders, the Marxist explanation considers the latter as instruments and operators through which the capacities to understand and explain the facts, to direct and desire actions are best manifested, but such capacities always preserve their origin in the existence and the characters of the collective organ. *Consequently, the Marxist concept of the party and its action, as we have already announced, rejects both fatalism (passive spectator of phenomena over which it is not capable of directly influencing), and any voluntarist conception in the individual sense, according to which, the qualities of theoretical preparation, willpower, spirit of sacrifice, in short, a special type of moral figure and a requirement of "purity", should be demanded indistinctly from each party militant, who would be reduced to an elite distinct and superior to the rest of the social elements that form the working class. For its part, the fatalistic and passivity error would lead, if not to deny the function and usefulness of the party, at least to support it without further ado in the proletarian class understood in the economic, statistical sense. Therefore, it is necessary to reaffirm the conclusions pointed out in the preceding thesis on the nature of the party, condemning both the workerist concept and that of the elite of intellectual and moral character: both are far from Marxism and destined to find themselves in the path of opportunist outlet."* (Lyon Theses, 1926).

The Lyon Theses contain the following passage, vital to survive under the weight of the counterrevolution. The condition of the revolutionary resumption of the proletariat is the existence of a Party which, without renouncing the possibilities of coherent affirmation presented, knows how to renounce the apparently easier ways. Conscious of being a factor, but also a product, of historical development, the Party must act in the field of tactics by providing itself with precise and respected norms of action, rejecting false ways.

"It must be said out loud that, in certain past, present and future situations, the proletariat has been, is and will be mostly, necessarily, on a non-revolutionary position, of inertia and collaboration with the enemy depending on the case: but that, in spite of everything, ***the proletariat remains always and everywhere the potentially revolutionary class and the depository of the revenge of the revolution, as long as within it the communist party, without ever renouncing all the possibilities of asserting and manifesting itself coherently, knows how to avoid the ways which appear easier for the purposes of immediate popularity, but which would divert it from its task and deprive the proletariat of the indispensable standpoint of its resumption.*** *On such dialectical and Marxist ground, and never on aesthetic and sentimental ground, the bestial expression that a communist party is free to adopt all means and all methods must be rejected. In affirming that the party, precisely because it is truly communist, that is to say, healthy both in principles and organization, can allow itself all the acrobatics in political maneuvering, it is forgotten that* ***the party is for us, at the same time, a factor and a product of historical development****, and that, faced with the forces of the latter, the proletariat behaves like an even more plastic matter. What would have an influence on the proletariat would not be the tortuous explanations that the party leaders would present to justify certain "maneuvers", but the real effects that it is necessary to know how to foresee, using above all the experience of past mistakes.* ***Only if it knows how to act in the field of tactics and energetically reject the false ways with precise and respected rules of action, the party will be able to preserve itself from degenerations, which will never be achieved only with theoretical creeds and organizational sanctions."*** (Lyon Theses, 1926).

(To be continued in the next issue)

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*"The **real barrier** of capitalist production is **capital itself.** It is that capital and its self-expansion appear as the starting and the closing point, the motive and the purpose of production; that production is only production for **capital** and not vice versa, the means of production are not mere means for a constant expansion of the living process of the **society** of producers. The limits within which the preservation and self-expansion of the value of capital resting on the expropriation and pauperisation of the great mass of producers can alone move – these limits come continually into conflict with the methods of production employed by capital for its purposes, which drive towards unlimited extension of production, towards production as an end in itself, towards unconditional development of the social productivity of labour. **The means – unconditional development of the productive forces of society – comes continually into conflict with the limited purpose, the self-expansion of the existing capital.** The capitalist mode of production is, for this reason, a historical means of developing the material forces of production and creating an appropriate world-market and is, at the same time, a continual conflict between this its historical task and its own corresponding relations of social production."* (Capital, Volume III, Part 3, Chapter XV, K. Marx).

The capitalist world continues to move amidst the turbulences produced by its own system: the drastic falls and bursts of speculative capital which have accumulated a veritable crash so far this year, the abrupt swings in the prices of raw materials and the spasmodic collapses in the supply chain. In this crisis, one and all are trying to unload their losses on their competitors, unconsciously preparing - with the actions they are pushed to carry out - the great destruction of productive forces that capitalism demands in order to resume a new cycle of accumulation for accumulation's sake.

In the brief notes that follow we will not reiterate the full content of the analyses published in previous issues of this review, but we refer the reader to them and, in particular, to those published in the reviews no.4, no.7 and no.9, on the development of the crisis of relative overproduction of capitals that capitalism has been going through since 2008.

Capitalism has lived after the 2nd world slaughter a process of culmination of the bourgeois revolutions in the Asian and African areas which opened the door to a subsequent vertiginous development of capitalism mainly in the Asian area.

The law of the tendency of the rate of profit to fall combined with the different moments in which capitalism erupts in the different geo-historical fields translates into the law by which the younger capitalisms accumulate at a faster rate than the older capitalisms, which accumulate at a slower rate.

The capitalist development of the Asian area with an industrial base has meant an enormous oxygen balloon for world capitalism, contributing with enormous masses of extorted surplus value from the proletarianized masses (and that were proletarianized in this process), providing a rejuvenation of the rate of profit of western capitalism that made its investments there.

The great mass of exploited proletarians in the Asian area has been translated into a great mass of surplus value which, in turn, has been translated into a great accumulation of productive capital which, in turn, has been translated into a great mass of commercial and financial capital. This has meant a **gradual shift of the center of gravity of capitalism towards Asia,** dialectically stimulated by the need of the older capitalisms (Anglo-Saxon and European) to keep their rate of profit afloat.

On the other hand, the division of the world carried out at Yalta and Potsdam no longer corresponds to the reality of the different imperialist powers in conflict: Germany forced its reunification, the formation of the EU and the absorption of Eastern Europe; Russian imperialism was resurrected from its collapse thanks to the high prices of oil and gas; the productive power of Japan was kept confined within its borders but Chinese capitalism has taken over the main positions in industrial and financial capital and is expanding throughout the world; other powers such as Turkey, India, Brazil and South Africa play a leading role in the capitalist world.

This is the context in which the 2008 crisis of capital overproduction erupted, from which world capitalism is unable to emerge, relapsing at every step. This decade and a half has been characterized by a massive injection of capital by American, European and Japanese capitalism, by a sustained fall in interest rates and by deflation exported to the world by the **production volcano** whose center has shifted to Asia. This type of monetary measures will never solve the capital overproduction crisis and, if they delay the outbreak of the crisis, they only increase its magnitude: "*The entire artificial system of forced expansion of the reproduction process **cannot, of course, be remedied by having some bank, like the Bank of England, give to all the swindlers the deficient capital by means of its paper and having it buy up all the depreciated commodities at their old nominal values."*** (Capital, Volume III, Part 5, Chapter XXX, K. Marx).

According to monetarist illusions (shared by the bourgeoisie and by a series of alleged Marxist), the massive injection of capital should have found a place in capitalist production, increasing demand, reversing the deflationary process due to the effect of inflation. And it is true that a monetary injection tends to produce inflation if the volume of commodity value it sets in motion remains stable and if this injection is effectively integrated into circulation. But it was not the case, and has not been the case for more than a decade, since it could not find a place in capitalist production because it could not crowd out the already active capitals: "*In reality, it would appear that a portion of the capital would lie completely or partially idle (because it would have to crowd out some of the active capital before it could expand its own value), and the other portion would produce values at a lower rate of profit, owing to the pressure of unemployed or but partly employed capital."* (Capital, Volume III, Part 3, Chapter XV, K. Marx).

This massive injection of capital and interest rates reduced to their minimum expression or even negative have been completely powerless for more than a decade to resist the deflationary process imposed by the overproduction of productive capacity, of commodities and of capital. Finding no place in capitalist production because it was unable to crowd out the already functioning capitals, this enormous mass of capital has been condemned to the roads of speculation: "*The mass of small dispersed capitals is thereby driven along the adventurous road of speculation, credit frauds, stock swindles, and crises."* (Capital, Volume III, Part 3, Chapter XV, K. Marx). This has produced an enormous swelling of the global speculative capital (stock market, fixed income, government debt, cryptocurrencies, etc.) and of the debt of companies and states, generating an enormous powder keg irrigated without interruption with more

gasoline and which had to collapse, as explained in Marx's Capital: *"**an enormous quantity of these bills of exchange represents plain swindle, which now reaches the light of day and collapses;** furthermore, unsuccessful speculation with the capital of other people; finally, commodity-capital which has depreciated or is completely unsaleable, or returns that can never more be realised again."* (Capital, Volume III, Part 5, Chapter XXX, K. Marx).

The crisis of relative overproduction of capital requires the destruction of productive capacity, commodities and excess capital. This destruction can take more acute forms leading to material destruction or more superficial forms: *"the loss is distributed in very different proportions and forms, depending on special advantages or previously captured positions, **so that one capital is left unused, another is DESTROYED,** and a third suffers but a relative loss, or is just temporarily depreciated, etc.*

*But **the equilibrium would be restored under all circumstances through the withdrawal or even the DESTRUCTION of more or less capital. This would extend partly to the material substance of capital** (…) **The ensuing stagnation of production would have prepared – within capitalistic limits – a subsequent expansion of production.***

***And thus the cycle would run its course anew.** (…) For the rest, **the same vicious circle would be described once more** under expanded conditions of production, with an expanded market and increased productive forces."* (Capital, Volume III, Part 3, Chapter XV, K. Marx).

The mere paralysis of part of the productive capacity and the collapse of the soap bubbles of speculative capital will only produce a momentary and transitory relief for the capitalist system. It will sacrifice a part of all the accumulated profit in the form of fictitious capital and temporarily impose the losses to certain fractions of the bourgeoisie, even determining the ruin and bankruptcy of a part of it. But it is only the material destruction of the productive overcapacity that can allow a new cycle of capitalist accumulation to rerun: ***"War is the capitalist solution of the crisis; the mass destruction of installations, means of production and products allows production to recover, and the mass destruction of human beings remedies the periodic "over-population" which goes hand in hand with over-production."*** (Auschwitz or the great alibi, Programme communiste, 1960).

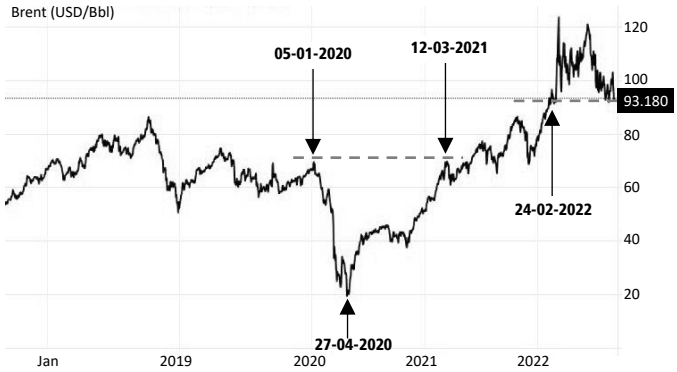
It is for this reason that wars are unavoidable in capitalism and that capitalism will be driven to the third world war. This is the only way to carry out the destruction of productive forces imposed by the capitalist mode of production in order to preserve its limited end, the revaluation of capital, its rate of profit. The **rupture of the partition of the world** after the Second World War and the need for a new partition, are the variables that complete the gruesome equation whose outcome is: **THIRD WORLD WAR**.

We will see that even the bourgeoisie is forced to admit this in the statements of the representatives of the imperialist powers in conflict. Yet even this does not help certain so-called Marxists (actually genuine and true believers in capitalism) to understand and accept this necessary development and consequence of the capitalist mode of production. A mode of production which we must slash before, during or after the outbreak of the war.

The paralysis of large sectors of world production took the form of lockdowns, port blockades and factory shutdowns in 2020. In this process, the US tried (unsuccessfully) to lock China in by calling for the closure of its borders with the excuse of contagion, as it had succeeded in doing with Japan by imposing quotas in the 1990s. This partial paralysis of world capitalist production and circulation, as well as the subsequent **epileptic resumption of production and circulation** (in mid-2020 and early 2021) have dialectically produced alternating shortages and overcrowding in the various nodes of mercantile circulation through the multiple convulsions of the process. We have seen simultaneously a productive overcapacity condemned to idleness for lack of raw materials and an overproduction of goods that could not be shipped. And, in case anyone objects to the relative nature of this productive overcapacity and overproduction, it must never be forgotten that: *"If it is said that over-production is only relative, this is quite correct; but the entire capitalist mode of production is only a relative one, whose barriers are not absolute. They are absolute only for this mode, i.e., on its basis."* (Capital, Volume III, Part 3, Chapter XV, K. Marx).

The epileptic resumption of capitalist circulation has produced a temporary shortage of raw materials and intermediate products (constant capital of the successive capitalist industries in the chain of production). This has drastically increased their prices. It has also produced an over-ordering which has further tightened the imbalance between supply and demand making their prices and capital investment increase even more. All this prepares the future overproduction of all these raw materials and intermediate products. The list of the affected items includes a whole range of metals, semiconductors, oil and gas. We will discuss the further evolution of the supply chains later on and will deal with grains in particular. We are interested in stating here that it is this phenomenon, which occurred within the context of the **process of reproduction and rotation of productive capital** (which encompasses its production and circulation), that has motivated the rise in prices, **inflation**. It cannot go without mentioning the drastic increase in the price of container shipping by sea from Asia to the world (see "The Internationalist Proletarian" nº9, p. 10, for more detail), which has come about as a combination of the epileptic resumption of circulation and the shift of the center of gravity of capitalist production to Asia.

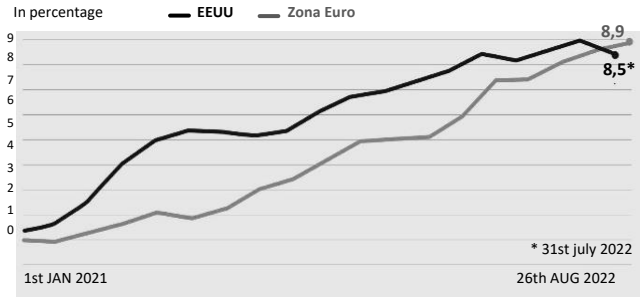
Let's look at the evolution of the oil price. At the end of April 2020, the price of oil began to rise reaching in March 2021 the $70 level it had reached at the beginning of January 2020. It continued to rise from there and the Brent barrel was located at $92 at the time of the Russian army's entry into Ukraine, a level at which it has later returned to after having reached a peak of $130 a barrel.



Source: https://tradingeconomics.com/commodity/brent-crude-oil (3-09-2020)

The explanation for this increase in the price of oil is published in "The Internationalist Proletarian" no.9 (p. 13) in the tables showing that **OPEC has kept oil supply below global demand and substantially below its production capacity.** The increase in the price of oil is one of the main drivers of the current inflation which, as can be seen, is not directly related either to monetary policy or even to the war in Ukraine (although the redirection of sales flows and speculation have provided the stimulus to reach a one-off peak): **if OPEC were to increase production in line with its real productive capacity, the price of oil would plummet like a lead.**

If we now look at the evolution of inflation in the US and in the EU in the following chart, we will see that inflation starts to rise rapidly in March 2021 (when the Fed rushes to make the first interest rate hike to 0.25%). Inflation continues to rise and accelerates the pace (despite raising interest rates and a halt to the extension of the purchase program) at the time when the price of oil exceeds the January 2020 level. Inflation in the US was at 7.5% and rising at the time of the entry of Russian troops into Ukraine (24-02-2022) and started to slow down some months after, despite the continuation of the war in Ukraine.



Source: Expansión

Some erroneous explanations

In the spirit of deepening the precision of the causes of the current inflation, we will take the last published issues of the current "il Programma Comunista" (no.3/2022) and of "il Comunista" (no.173), of the same group that publishes "Le Prolétaire", to compare the explanations published there.

As for "il Programma Comunista" (no.3/2022), their analysis is limited to saying that inflation is the "first-born daughter" of monetary policy, thus sharing the monetarist illusions of the bourgeoisie. They would have to explain why inflation did not soar in the years 2008-2014 (Fed asset purchase program) or successive to 2014 (ECB asset purchase program) or even in 2019-2020 (moment of maximum intensity of asset purchases and rate cuts) or in Japan since 2000, but it has shot up in the first quarter of 2021, in full epileptic resumption of production and with oil production kept below demand. In any case, the "firstborn daughter" of monetary policy is the swelling of speculative capital, the swelling of general debt and the subsequent burst of these bubbles that we are witnessing.

Nor does "il Comunista"/ "Le Prolétaire"(nº 173) provide a sufficient or correct explanation. It states that the growth estimated for 2021 by the WTO (10.8%) *"paints the picture of a strong economic resumption"* and has as its *"main cause"* the *"massive injection of capital and monetary creation"* that has *"succeeded in relaunching the economy"*. Let's leave aside for the moment that taking the world trade index (and moreover of a single year) as a basis for claiming a "strong economic recovery" is a bit limited. But the WTO itself has calculated a 5.3% drop in global trade in 2020, so we can do the following math: 100 (starting point 2019); 100 - 5.3% x 100 = 94.7 (end point 2020); 94.7 + 10.8% x 94.7 = 104.92 (end point 2021). If the 10.8% for 2020 (maximum trade depression) is confirmed, the increase in world trade compared to 2019 would be less than half, i.e. 4.92%. This calls into question the alleged "picture of strong economic resumption". It should be added that it is stated that "the main cause" has been the monetary policy of the Fed and the ECB, but the data are based on the increase in world trade, where the main increase in exports and imports is brought by Asia. It is also likely that it has already reached their ears that a few months after this assessment the capitalist world in general is talking about "recession". The graphs on the industrial production of various countries published on that same page also contradict the statement made.

In the same article, "il Comunista"/"Le Prolétaire" states that having continued with the purchase programs when *"the first signs of inflation had appeared"* led to the fact that *"the inevitable result has been the fall in the value of money and therefore the consequent inflation"*. With this argument, inflation is explained by the continuation of monetary policy when inflation had already appeared. Thus, it remains unexplained why inflation appears, i.e., its true cause.

That expansionary monetary policy for a decade did not trigger inflation is a material fact. Therefore, the mechanical and simplistic explanation on the basis of monetary policy is weak from all sides. On the contrary, one must understand why the same programs up to this point did not trigger inflation (and why inflation has continued to rise despite the curbing of the programs), what are the conditions under which a massive issuance of money can produce inflation (which is true), and under what other conditions the massive injection of money fails to even reverse deflation.

Elsewhere in that same issue of "il Comunista"/ "Le Prolétaire" (no.173) we find a real **journalist's sentence:** *"In Europe, since 2011, the cost of money had not increased"*. With this the bottom line is completely overlooked which is that since 2011 what has happened is a continuous fall in the interest rate, which has been at zero and negative from 2014 to 2022. This is completely different from saying that *"the cost of money had not increased"* ...

Marx derided the mania for borrowing terms from the bourgeois press instead of using the precise concepts of scientific socialism: *"the existing class struggle is replaced by a journalist's phrase: « the social problem», for the solution of which « the way is prepared» "* (Critique of the Gotha Program, 1875). The aforementioned is not the only "journalist's phrase" found in this issue of "il Comunista"/ "Le Prolétaire" since labels such as "world health crisis" (which means nothing and takes the consequences for the causes) and "energy crisis" (we will return later to what is meant by this) or "gas crisis" (sic) are used at will; labels that only serve to blur the Marxist concept of crisis and the material reality of the crisis in capitalism.

In that second article another scheme to explain inflation is attempted. First the "energy crisis" is explained by the war in Ukraine and then inflation is explained by the "energy crisis" and the war in Ukraine. As can be seen from the published statistics, the increase in energy prices in general (and in Europe in particular) occurred before the war in Ukraine, even if it has continued to increase afterwards. As we have also shown, inflation soar in turn started before the war in Ukraine and is motivated by the epileptic resumption of circulation. Then follows in that same article a real confusion between the increase in global prices and the increase in energy costs (the latter are

presented as if they were the former) to conclude unexpectedly: *"So it wasn't all to blame for the energy costs"*… Besides being contradictory to the data on the increase of energy costs provided in the previous sentence (opportunely confused with the increase of costs in general), we see that "il Comunista"/ "Le Prolétaire" shares with "il Programma Comunista" the monetary illusion as the main explanation of the current inflation. Moreover, it places it as a result of the "energy crisis" that they derive from the war in Ukraine. It is relevant to note that by "energy crisis" the review "il Comunista"/ "Le Prolétaire" seems to conceive only the shortage of gas and the increase of prices in Europe, since they place it after the beginning of the war in Ukraine, but, as we have already seen, the price of gas and oil increased worldwide much earlier and remain high for different reasons.

In their explanation there is a reversal of the real processes. On the other hand, in the material reality, it is the economic situation of overproduction of productive forces, commodities and capitals that had gestated and was manifesting itself (together with the displacement of the center of gravity of capitalism and the rupture of the world distribution) that has determined the outbreak of the war in Ukraine; the same situation that has produced the collapse of the supply chain torpedoing the rotation and global reproduction of capital; the same that has imposed the paralysis of part of the productive capacity and the ongoing incineration of part of the accumulated fictitious capital.

The consequences of the same cause interact and interrelate and can act as amplifiers or mitigators of the effects in question. In fact, they often act dialectically in both directions. For example, the blockade on Russian oil has initially generated an additional increase in the price of oil, but, at the same time, it has forced the sale of a huge quantity of oil and gas at discounts of between $20 and $35 per barrel: the same phenomenon contained the elements that were to bring the price down to its starting point a few months later. However, it is a real confusion to place what is one of the consequences of a given cause as the main cause of the other derived ones, supplanting the original ultimate cause.

We also find in "il Comunista"/ "Le Prolétaire" the curious affirmation that *"gas and oil are indispensable for capitalist production, a profit-generating production that cannot function with renewable energy sources"*. This is nothing more than a reverberation of petty-bourgeois ecologist mysticism that is asserted, moreover, without even attempting to justify it. On the contrary, we affirm a capitalism just as bloodthirsty and exploitative as the present one is perfectly possible on the basis of so-called renewable energies (refer to the article "Energy sources and capitalism", pages 13 and 14, of this issue).

Finally, we find the following statement: *"Yesterday, the oil crisis of 1973 anticipated the world crisis of 1975; today, the gas crisis* (sic)*, if it does not anticipate for some year a world crisis of the dimensions of that of 1975, it has created the genesis of its factors".*

AS IF CAPITALISM WERE NOT IN FULL CRISIS SINCE 2008! And, more specifically, as if all stock markets, government bonds and corporate debt (the fixed income market has been falling even since January 2021) had not been crashing since December 2021, while the reproduction and rotation of capital is carried out through convulsions and spasms. We cannot fail to remember that the real crisis of the capitalist system is a **DEFLATIONARY CRISIS** and that of 1975 was an inflationary crisis.

The foregoing may serve to provide elements on the inadequacy of the merely monetary explanations of inflation soar, or that locate its origin in the military conflict in Ukraine or in the shortage of gas in Europe.

Before we continue with the analysis of developments in the other articles, we would like to recall a couple of additional considerations of the issue at hand:

"What interests us here above all are the medium to long-term consequences: (…) with all this investment today preparing the gigantic overproduction of tomorrow. (The Internationalist Proletarian" no.7, p. 10).

"(…) productive (super)capacity remains intact and, at the same time, "an increase of demand produces an increase of supply, instead of an ultimate rise of market prices" (Wage, Price and Profit, K.Marx, 1865), i.e., a greater productive overcapacity. (…) without the generation of more electric shocks, spasms and collapses, the general trend would be to return to the path of overproduction and deflation. This does not rule out that in the capitalist world in general and in Western capitalism in particular, episodes of inflation may develop – and even more accentuated –. (…) What it means is that capitalism can only try to get out of the swamp into which overproduction is sinking it through a growing series of crises, conflicts and spasms." (The Internationalist Proletarian" no.9, p. 16).

In the following articles, we will look at the consequences of the above developments in the financial sphere, the unloading of which Western imperialism has tried to concentrate on Russian imperialism. While analysing the extent to which Russia has or has not been successfully isolated, we will observe the evolution of supply chains and their impact on the rotation and reproduction of capital, the exacerbation of the trade war, the redirection of commodity and raw material flows, as well as the political-military impact within the main imperialist powers and in the clashes between them.

MANIFESTATION OF THE CRISIS AT THE FINANCIAL LEVEL

As we explained in the previous issue, *"The avalanche of goods from Asia, the increase in the prices of their transportation, the congestion of the entry points of circulation, the increase in the price of energy due to the maintenance of production below the demand, the shortage of the commodity labor force, the fall of prices in the previous period, etc. All of this pushed up inflation rates and put the classic recipe on the table: abandon the asset purchase program, raise interest rates and even start thinking about reducing the Fed's accumulated balance sheet.*

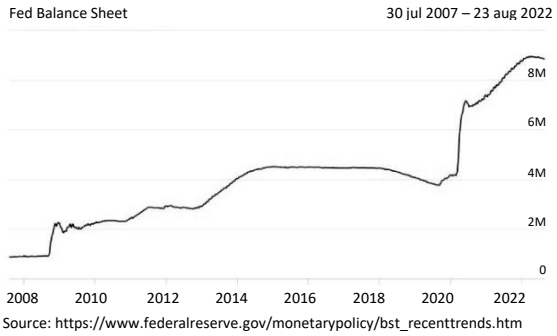
*Let us recall that "**the price of these securities rises and falls inversely as the rate of interest.**" (Capital, Volume III, Part 5, Chapter XXIX, K. Marx). Therefore, the rise in interest rates would burst the bubble in the bond market, hit the stock market hard, and make it very difficult to refinance highly indebted companies through junk bonds and leveraged loans, affecting U.S. companies in particular. For now, the Fed announced a 0.5% increase in February and the increase actually implemented was 0.25%."* (The Internationalist Proletarian No.9, page 19).

This has been precisely the course of events.

Fed's steps

The Federal Reserve, after curbing the asset purchase program, has raised interest rates several times since April 2021 reaching at 3-3,25% in September 2021.

It has also let mature a small portion of the debt accumulated on its balance sheet. All in all, the Fed continues to intervene massively in the debt market, buying debt valued at more than $8 trillion to maintain its balance sheet, which has shrunk by only 2%:



All these increases are only the prelude to many other decreases, which will ultimately be imposed as a result of the fall in the rate of profit, just as scarcity is the prelude to future overproduction.

Revaluation of the dollar

The dollar has appreciated substantially relative to most currencies, which means – because of the dollar's role in world trade – that the U.S. has become an **exporter of inflation** just as China and Asia were previously **exporting deflation**.

As of April 8, 2022, the evolution of the G-10 currencies in relation to the dollar was as follows (Expansión, 08-04-2022): +2.97% (Australia); +1.01% (New Zealand); +0.39% (Canada); +0.10% (Norway); -2.24% (Switzerland); -3.43% (United Kingdom); -4.26% (EU); -4.26% (Denmark); -4.30% (Sweden); -7.17% (Japan).

This largely forces the rest of the central banks to also act in the sense of raising interest rates to try to counteract the devaluation of their currency in relation to the dollar. It will also result in an additional reason for the rest of the world bourgeoisies to settle their trade in other currencies so as not to be subject to the Fed's swings against the dollar. Its position of strength will end up becoming the mechanism that will weaken it.

As we said in "The Internationalist Proletarian" No.9, the devaluation of the euro is one of the reasons for inflation in the EU zone.

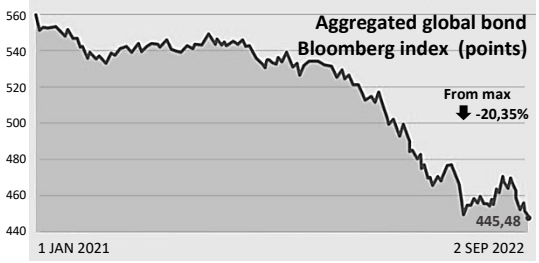
In the historical evolution in relation to the dollar, the euro had a first devaluation just after its birth in 1999, followed by a continuous revaluation until July 2008. From that moment on, the trend through the oscillations has been downward. The current continuous devaluation pull began in May 2021, coinciding with the start of the Fed's interest rate hike.

While the ECB has generally sought to keep the euro from overvaluing against the dollar in order to boost EU exports, the too low level of the euro in the current inflation environment multiplies the effects of inflation by making all dollar-denominated imports more expensive. A series of interest rate hikes by the ECB would tend to revalue the euro relative to the dollar. The ECB in particular ended the asset purchase program in June and made two rate hikes of 0.5% and 0.75%, moving away from having a negative deposit rate for the first time since 2014 to a nominally positive interest rate of 1.25%. We say "would tend to" because there are other elements that are pulling the euro down, such as the release of euros by various central banks in their eagerness to secure dollars and yuan, or the loss of confidence in the European economy, which may be even more decisive.

The dollar's appreciation is not synonymous with absolute advantages for the United States either, since it is detrimental to companies that have a significant part of their business abroad: *"The list of bellwethers stomaching multimillion- or billion-dollar hits has grown by the day after the US currency surged to its highest level in 20 years this month, including IBM, Netflix, Johnson & Johnson and Philip Morris (…) the strong dollar lowers the value of their international sales and makes them less competitive compared with local rivals."* (Financial Times, 25-07-2022).

Speculative capital burst

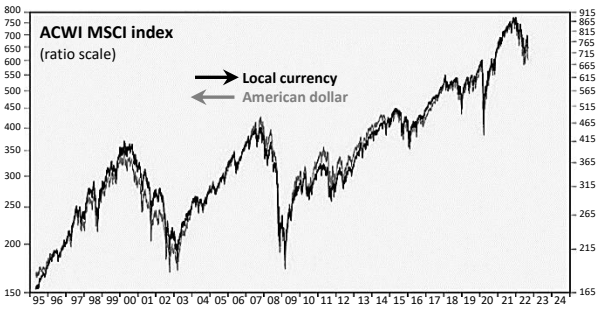
The bourgeois world gloated at the beginning of the year with the shower of dividends received by shareholders while the nominal value of speculative capital collapsed under their feet: stock markets around the world have suffered drastic falls during the year as well as the fixed income market, cryptocurrencies have plummeted, the platforms with which they deluded small investors (Robinhood, among others) are in serious trouble and the subscriptions collected in initial public offerings this year have fallen by 95% in US.



Source: Bloomberg

The cumulative annual declines in 2022 for the stock markets as of September 1 are, in the American stock markets: -13.29% (Dow Jones); -17.02% (S&P 500); -24.47% (Nasdaq); and, in the European stock markets: -1.36% (FTSE, British); -9.5% (Ibex, Spanish); -14.37% (Cac, French); -15.69% (SMI, Swiss); -18.17% (Euro Stoxx 50, European); -21.16% (FTSE Mib, Italian).

The MSCI ACWI index, which monitors almost 3,000 stock exchanges in 48 countries, shows the global drop:

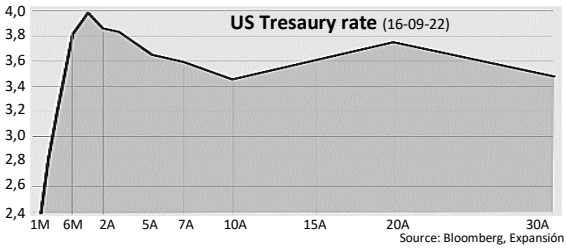


Source: MSCL

Additionally, the whole cryptocurrency bubble has burst, with the consequent freezing of withdrawals and bankruptcies. In July the cumulative annual drop was: -44.26% (Binance Coin); -52.13% (Bitcoin); -56.23% (Ripple); -57.3% (Ethereum); -60.5% (Dogecoin); -61.69% (Cardano) and -76.95% (Solana).

Inversion of the yield curve

The inversion of the US bond yield curve continues to reflect in the actions of capitalist agents their perception of a declining expectation of the rate of return on their bond investments:

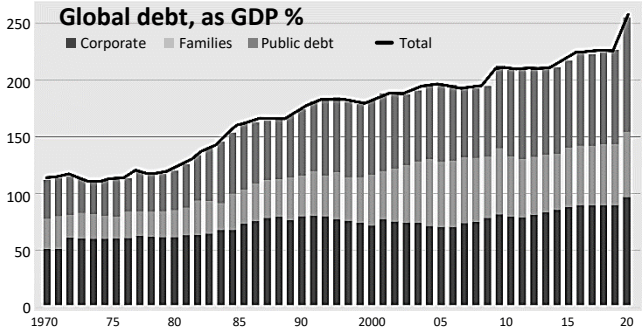


Source: Bloomberg, Expansión

And not only in the US: *"(...) New Zealand 's two-year yields exceeded 10-year rates for the first time since 2015 on Wednesday. The difference between Australia's 10- and three-year bond futures -- its favored measure -- is at the flattest in more than a decade, while the UK's yield curve briefly inverted earlier this month."* (Bloomberg, 09-08-2022).

Global excess debt, real yields

The capitalist world is at record debt levels. Corporate debt issuance has fallen to record lows while the amount of junk debt, the difficulty of refinancing and the risk of default has increased.

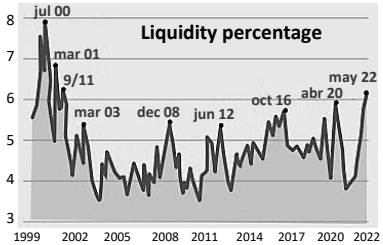


Source: FMI, Expansión

The volume of nominally negative debt has been reduced (with mainly Japanese debt remaining negative), but yields are still negative when inflation is considered.

Excess liquidity of funds

The effect of stock and bond sales (this is the way their price drop has been implemented in practice) by the funds has generated a high percentage of liquidity. That means that the reimbursements obtained in these sales are not reinvested. It is said that this is to have a "hedge", but this is nothing else than **a mass of idle capital that does not find a scope for investment** in real production or in the speculative investment sphere that is in full burst.



Source: Bank of America, Expansión

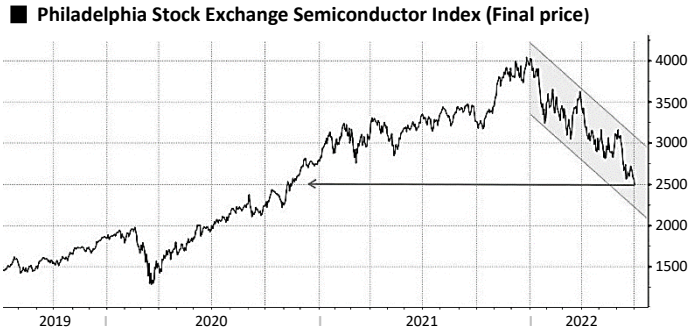
In other words, this is a sign that we are still in a framework of relative overproduction of capital: *"There would be absolute overproduction of capital as soon as additional capital for purposes of capitalist production = 0. The purpose of capitalist production, however, is self-expansion of capital, i. e., appropriation of surplus labour, production of surplus value, of profit. (…) In reality, it would appear that a portion of the capital would lie completely or partially idle (because it would have to crowd out some of the active capital before it could expand its own value), and the other portion would produce values at a lower rate of profit, owing the pressure of unemployed or but partly employed capital."* (Capital, Volume III, Part 3, Chapter XV, K. Marx).

China continues on the path that the others are trying to leave behind

While most other central banks restrict their monetary intervention, the People's Bank of China on April 15th 2022 cut the required reserve ratio by 0.25%, on May 20th 2022 cut the minimum mortgage rate by 0.20% (to which was added a 0.15% cut in the five-year mortgage rate by Chinese banks) and cut interest rates by 0.10% on August 15th 2022.

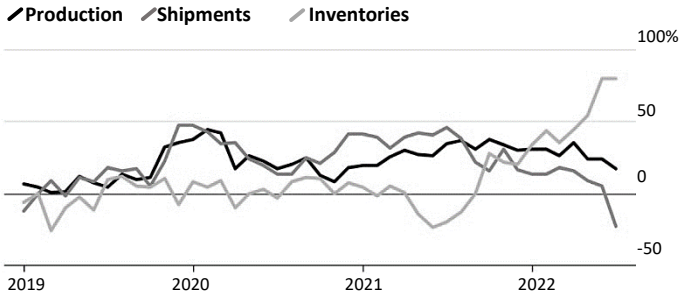
Semiconductors

Semiconductors were among the first products to suffer general shortages during the epileptic resumption of production in mid-2021 (see "The Internationalist Proletarian" No. 7, page 10). A year later, even before all the promised and planned investments have been made and the new factories have been built and put into operation, prices in the chip market are starting to fall and inventories are overflowing.



Source: Bloomberg

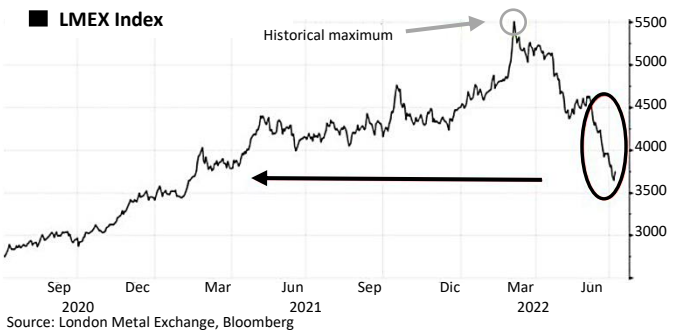
South Korean chipmakers have encountered a 22.7% drop in sales and an 80% higher amount of chips in stock than last year. This is the prelude to a situation of overproduction.



Source: Statistics Korea
*Year-on-year growth. Preliminary for June and July

Metals

Metals (iron, copper, aluminum, etc.) that had soared in price due to the scarcity of existing reserves are now the protagonists of a fall in their prices. *"Copper is already at 20-month lows, having recently pierced the $7,000 per tonne mark. An industrial metal par excellence, copper is already down 32% from the highs set not long ago: just over three months. (…) Iron ore, which is used to make steel, is in a similar situation. It has lost all its gains so far this year, a rise that reached 45%, and is now trading below 100 dollars per ton."* (Expansión, 18-07-2022). *"The price of reinforcing iron bars, widely used in construction, has dropped 20% since the beginning of May."* (Expansión, 22-06-2022). The evolution of the London Metal Exchange (LME) has illustrated the fall, demonstrating that much of the price previously achieved was purely speculative.



Source: London Metal Exchange, Bloomberg

Cereals

Cereals have been the subject of particular speculation, as Ukraine and Russia are countries that together *"supply 29% of the world's wheat, 24% of the world's barley and 15% of the world's corn. They also supply 69% of sunflower oil and 18% of potassium."* (La Vanguardia, 27-05-2022). However, also grains and other food commodities such as soybeans have started to fall in price, erasing all the price increase they had as an immediate effect of the start of the war in Ukraine. This is despite the war-related surcharge on grain shipping rates, which have reached almost 60%.

"Crop futures sank in the US, with wheat closing the week at levels not seen since before Russia's invasion of Ukraine (…) Two key reports from the US Department of Agriculture on Thursday indicated bigger-than-expected grain supplies. (…) Even soybeans plummeted, despite the USDA estimating smaller acreage than initially expected. (…) Both corn and soybeans ended the trading day at their lowest levels since late January, as did the soybean oil". (Bloomberg, 01-07-2022).

Although there have been some reports of field burnings in Ukraine, these have been rather rare. The problem therefore arises for Ukrainian agricultural enterprises in terms of the replacement of constant capital. That is, not so much in the loss of the product but, in the need to make the sale in order to obtain liquidity to invest in the constant capital for the new cycle. *"Ukraine's government expects grain production to fall about 40% versus 2021 (…) Even so, it's carrying a backlog of 20 million tons into the season that starts next month."* (Bloomberg, 19-06-2022).

The possible theft of part of the harvest by Russian imperialism and its commercialization through Turkey and Syria has actually put at least this part of the harvest into circulation, which, added to the grain that has been mobilized from other parts of the world (Australia, for example), and to the increase in Russian exports (which this year will have a record harvest) has helped to mitigate the price increase.

Through Turkey's mediation and following the African Union's request to Russia, an agreement was reached to allow grain ships to leave Ukraine. The agreement took time to be implemented, but finally the first ship sailed on August 1st with 26,000 tons of wheat, followed by three others with a total cargo of 58,000 tons. As of August 19th, would have sailed *"21 ships with Ukrainian grain"* (El País, 19-08-2022). In view of the fact that 38% of the ships are going to the EU and not to Africa, Russia has threatened to break the agreement.

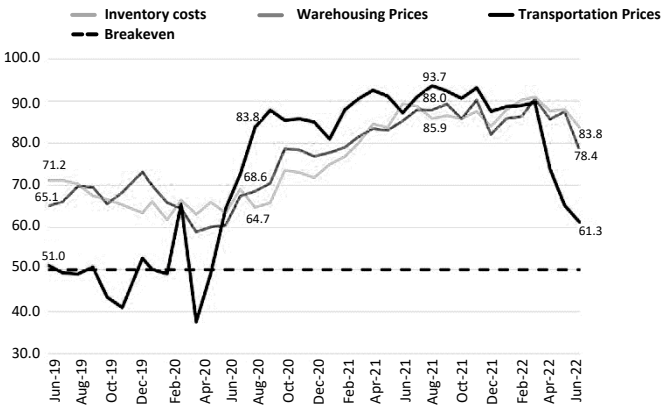
It should be noticed that prices had already fallen at the beginning of July (see above), a month before the first ship could leave Odessa. In fact, if all of Ukraine's accumulated wheat stocks (more than 20 million metric tons) were immediately released into circulation, there would be a drastic excess of supply over demand that would plunge wheat prices.

From the point of view of Russian imperialism, the high grain prices for a few months have turned out to be a great business since its main competitor in the market has been left out of the game: *"Russia has continued to ship its wheat at the now-higher price, finding willing buyers and raking in more revenues per ton. It is also expecting a bumper wheat crop in the next season, (…). Global wheat prices have risen by more than 50% this year, and the Kremlin has collected $1.9 billion"* (Bloomberg, 24-05-2022).

Inventories

All the over-ordering that has been done in the face of the

shortage situation has generated stocks that are starting to become even too full.



Source: Logistic Manager's Index (June)

Note how the transportation line has returned below the one of warehousing and inventory, as before the resumption following the first closures and confinements, although not at the contraction level (below 50).

"Inventories continue to be one of the trickier hurdles to navigate in the current economy. Inventory Levels continue to grow, albeit at a slightly reduced rate (-1.3) of 67.6. This is down significantly from the all-time high rate of growth of 80.2 observed in February, but still well above the all-time average of 62.9 for this metric. The last six months have seen a concerted effort by firms to run down the high levels of goods that were on hand this Spring. Many retailers have worked hard, and in some cases ***taken significant financial losses, to decrease inventory levels****. Target reported a 90% drop in net earnings year over year for Q2, largely because of their concentrated efforts to reduce inventories. This included cancelling $1.5 billion in discretionary orders, as well as* ***slashing prices on the goods already clogging their stores and distribution chains****."* (Logistic Manager's Index report, August 2022).

Maritime transport

Container shipping prices have continued their gradual decline as the differential between prices from Asia to the US or Europe (and vice versa), as well as from the EU to the US (and vice versa), continues. In addition to the prices in the table below, the price of a container to Asia is $960 from the US and $498 from Northern Europe.

Lane	Asia – West US	Asia – East US	Asia – N. Europe	N. Europe –Este EEUU
19-25/09/22	3.241$	7.326$	7.251$	7.146$
Last week	-17%	-14%	-8%	5%
Last year *	-80%	-61%	-51%	2%
** Compared with the corresponding week in 2021*				

The differential between the price from Asia to the US East Coast and from the same origin to the US West Coast indicates that there has been a redirection of part of the flow of goods that used to arrive to the West Coast and now arrives on the East Coast, in order to avoid bottlenecks and congestion. Queues at the port of Los Angeles are being gradually reduced as demand is decreasing and arrivals have been distributed to other ports on both coasts.

Rail, inland waterway and road transport

The cost of inland waterway and road transport in Europe has skyrocketed. The first is due to the drastic drop in river flows due to the drought, which have become unpassable in some stretches. The second is due to the rising cost of diesel and the shortage of truck drivers.

Inland transport between China and Europe reached 1,517 trains in July and cargo delivered reached 149,000 TEUs in the same period, up 11% and 12% year-on-year, respectively. *"China-Europe freight trains have reached 200 cities in 24 European countries (…) So far, the network has maintained the level of operating "1,000 trains per month" for 27 consecutive months."* (China Daily, 08-08-2022).

ENERGY SOURCES AND CAPITALISM

Evolution of oil prices

In the following graph we observe the evolution of the oil price, with its peaks in 2008, from 2011 to 2014 and in 2022.

Source: https://tradingeconomics.com/commodity/brent-crude-oil (01-09-2020)

It has currently fallen back to the price prior to the start of the war in Ukraine. This price is still a high price that forces to transfer a large part of the profit to ground-rent. The ultimate cause of the high oil price is the fact that OPEC+ has kept production below demand and its own production capacity.

High profit and low investment

The price of oil is doomed to fall in the long term due to its displacement by other types of energy. This leads to an immediate increase in the price of oil for several reasons: 1) the producing countries keep supply below demand to ensure that they make a profit before it has been replaced or displaced, 2) the lack of investment makes extraction more expensive, 3) the lack of sufficient energy sources and infrastructures to replace fossil fuels immediately leads to insufficient supply.

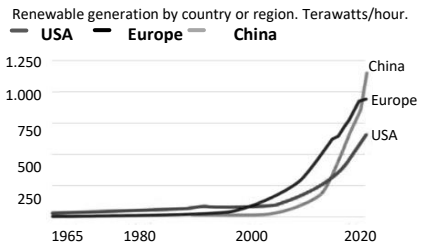
This is the reason why U.S. oil companies, despite high profits, have decided to focus on dividends and continue not to make new investments.

Renewable energies

The madness of the anarchy of mercantile production produces the opposite phenomenon in certain nodes of the world energy flow, particularly in the USA. Solar and wind power are sold at negative prices. Wholesale prices in the seven US networks started to be punctually negative in 2012, gradually increasing in frequency to around 200 million times in 2021.

Why? Because **in capitalism (and in any mercantile society) supply precedes demand**: first a huge amount of energy is produced and then the issue is how to sell it.

China is the leading investor in increasing renewable energy production and has surpassed both the US and the EU as a net producer.



Source: BP Statistical Review of World Energy

Nuclear energy

"About 30 countries are considering betting again on nuclear power plants to generate electricity (...) in Asia some 34 reactors are under construction and about 15 in Europe (...) Beijing wants about 150 new conventional reactors in the next 15 years, more than the rest of the world has built in the last 35." (El País, 21-08-2022).

The EU has had to take on the ridiculous role of classifying both gas and nuclear fission energy as "green" energy. France will build 6 additional nuclear reactors while planning to build 8 more, but has had to stop nuclear power plants because of the drought.

Japan has also announced the extension of the life of its nuclear reactors beyond 60 years and expects to have a total of 17 active nuclear reactors, as an essential part of the "green transformation".

On the other hand, the list of countries that are expanding, building or have plans to build nuclear power plants with Chinese or Russian assistance include: Egypt, Belarus, Azerbaijan, Hungary, Turkey, Bangladesh, Iran, India, Nigeria, Kenya, Uganda, Tanzania, Rwanda and Zimbabwe.

Return to coal

As we saw in "The Internationalist Proletarian" no.9 (page 14), the general attempt of the capitalist world to dispense with fossil energies had (and still has) as an initial result the return to the most primary fossil energy: coal.

This return to coal has been widespread and even Germany has authorized the reactivation of coal-fired power plants. In any case, China and India *"accounted for more than 70% of the growth in coal demand in 2021, with an increase of 3.7% and 2.7%, respectively. Chinese imports of Russian coal have grown by 37% compared to 2019."* (Expansión, 06-07-2022).

India is also buying Venezuelan coke (a product derived from the heavier fractions of crude oil) to replace coal, as the former is cheaper.

Redirection of energy flows

The US and the EU have imposed a series of sanctions against Russia and Russia has progressively cut off gas to several EU countries, something we will analyze in more detail in page 25.

As a consequence of the latter, Russia has been selling its oil and gas at discounts of between $20 and $35 a barrel mainly to China and India, also earning substantial revenues. These discounts relative to benchmark oils should put downward pressure on oil prices.

On the other hand, this has also led to a decrease in China's LNG consumption and a shift in the flow of LNG from Asia to Europe.

The high price of oil and gas has meant that Russia has brought in a significant amount of capital. Just as all the US efforts to keep the price of oil high resuscitated Russian capitalism as a world power, the US actions to try to sink it at the same time provide it with a lifeboat.

Potential nuclear deal in Iran

In this context of energy shortages in Europe and rising oil prices, the signing of the nuclear agreement with Iran seems to be accelerating, but there are many contrary and contradictory interests involved. The agreement was about to be signed, but Iran demanded that the Pasdaran be removed from the list of terrorist organizations, considering that it was in a position of strength in the face of the need of Western imperialism to reduce the price of oil. Then it was the US which, Iran having renounced its claim, did not want to sign in view of the pressures of all its allies in the area (Israel and Saudi Arabia mainly).

"If a new nuclear deal is signed, Iran could export up to 1.3 million barrels per day of Iranian crude -equivalent to about 5% of OPEC's total supply." (Expansión, 27-08-2022). *"Around 93 million barrels of Iranian crude and condensate are currently stored on vessels in the Persian Gulf, in Singapore and near China, according to ship-tracking firm Kpler."* (Bloomberg, 29-08-2022).

Putting all these barrels into circulation would lead to a drop in the price of oil. This causes Saudi Arabia's opposition.

OPEC+ has kept the ranks closed

OPEC has kept closed ranks with Russia and has ignored US requests to isolate Russia and increase production. The reason is that they need the barrel not to fall below $100 to maximize their profits while oil continues to have the current importance. OPEC has already announced its intention to reduce oil production in 100.000 barrels per day.

Energy and capitalism

As long as oil continues to play a role in production, it will generate conflicts around its deposits and channels of distribution. The fabulous business of ground-rent (inherent to capitalism as can be read in Capital, Book III, Section 6) allows the owners of oil to pocket an enormous part of the surplus value extorted from the world proletariat. This can detonate at any moment the conflict in those areas.

It is important to emphasize that all the circumstances mentioned above as problematic for switching from one energy source to another are due to the anarchy of mercantile production and that a transition between different energy sources would occur without these convulsions in a non-mercantile society. In fact, **only in a non-mercantile society will this type of transition be possible without turning upside down the whole world production and consumption**.

In the present capitalist mercantile society, the future replacement of one source of energy by another makes the price of the first one fall and makes it no longer profitable to invest in it; this makes the capitalists who exploit the first source reduce the supply when the replacement is not yet ready, to make the price rise and obtain surplus profits while they can; the investments in the source to be replaced are reduced because they can represent losses in the long term, thus tending to reduce the production of this source and make it more expensive; the scarcity and price increase of the former leads to a price increase of the latter, all this in preparation for the moment when the price of both will sink; this is repeated in the form of spasms in various cycles in which each sudden rise generates extraordinary profits but contracts demand, and each sudden fall produces losses and slows down production, generating a lurch towards the other pole.

How would one energy source be replaced by another in a non-mercantile, i.e. communist, society? Simply, the production of the first energy source would be maintained at the necessary level while increasing the capacity of the replacement source. The only measure of the success of the replacement process would be that there are no shortages. No one would benefit from occasional or prolonged shortages, nor would anyone suffer a loss by keeping the energy source to be replaced in operation. And this will be so (and it will only be so if this condition is met) because **in socialism the product of labor will not have the form of commodity, it will be a component of the**

global labor not in an indirect fashion but directly. It will be the society as a whole which will have distributed its capacities in the best way to guarantee the satisfaction of its needs.

The fact that, in a mercantile society, such a simple process is impossible and is subjected to real roller coasters is evidence of the anarchy of mercantile production and of how, **in a mercantile society, *"the product governs the producers".*** (Anti-Dühring, F. Engels, 1878).

We will add that the ground-rent is not only associated with oil, as it was not only associated with the production of cereals for which it was initially formulated. Ground-rent **provides the Marxist theory of MONOPOLY and this law will act, as long as capitalism exists**, in any similar situation (rare earths, patents, hydrogen, etc.) as a generator of a surcharge on humanity and of wars for obtaining the resulting surplus profit.

Whatever the petty-bourgeois ecologist mystique may say, capitalism is not incompatible with recycling (see chapter V of Book III of Capital, entitled: Economy in the employment of constant capital), nor with the use of energy sources other than fossil fuels. And yet, **capitalism means DESTRUCTION of the environment**, as we denounced in *"The culprit of the destruction of the environment is capitalism"* (The Internationalist Proletarian No. 4, p. 16).

However, to the extent that there is an enormous investment crystallized in fixed capital (refineries, oil and gas pipelines, oil and methane tankers, gas stations, etc.), this capital resists being devalued and acts as a force against its replacement by other sources of energy. On the other hand, there are those bourgeoisies that can obtain ground-rent from oil, but would be marginalized with other energy sources (not that other energy sources do not produce ground-rent) that also act as a counter force. This has slowed the introduction of other energy sources, but not because fossil sources are more "capitalistic" than wind or solar. Whatever the energy source, as long as the laws of monopoly act on it, it will create ground-rent and with it a surplus profit.

Only by abolishing capitalism will humanity be able to stop giving up a disproportionate part of its time and energy for things whose socially necessary time is much less, and only then **will it also be able to free itself from the quarrels, crimes and conflicts that the present ground-rent generates.**

THE STRUGGLE OF COMPETITION ON THE GLOBAL BOARD

Strength, cunning, and economic determinism

"A portion of the old capital has to lie unused under all circumstances; it has to give up its characteristic quality as capital, so far as acting as such and producing value is concerned. ***THE COMPETITIVE STRUGGLE would decide what part of it would be particularly affected****. So long as things go well, competition effects an operating fraternity of the capitalist class, as we have seen in the case of the equalisation of the general rate of profit, so that each shares in the common loot in proportion to the size of his respective investment****. But as soon as it no longer is a question of sharing profits, but of sharing losses, everyone tries to reduce his own share to a minimum and to shove it off upon another. The class, as such, must inevitably lose. How much the individual capitalist must bear of the loss, i.e., to what extent he must share in it at all, is decided by STRENGTH AND CUNNING*** *(…)"* (Capital, Book III, Section 3, Chapter XV, K. Marx).

Should we attribute this strength and cunning to all the Putins, Zelenskies, Bidens and Xi Jinpings of the day? **NEVER!**

*"Either we read history as Marxists, or we fall back on the scholastic masturbations which explain colossal events by the maneuvers of the monarch (who in turn pretends to present them as the effect of an efficient cause, which would be the transmission of the crown to the heir or descendants), or by the exploits of the mercenary chief, who was driven by the intention of being glorified and immortalised by posterity! The link between a conscious foresight, a driving will and a direct result that "shapes" society and history, we consider as forbidden to the individual, not only to the poor christ-molecule lost in the social magma, but above all to the crowned, the one who carries the scepter, the one invested with positions, honors and whose name is marked by titles and capital initials****. It is precisely that man who does not know what he wants and does not achieve what he intended, and to whom, if you will excuse the noble image, historical determinism reserves the highest dose of kicks in the ass. If our doctrine is accepted, it is the chief who plays to the utmost the role of the puppet of history****".* (Foundations of Revolutionary Communism, 1957).

Does this mean that Marxism consists of a simply mechanical and fatalistic materialism? **Neither.**

Through a blind and anarchic process, a general tendency is formed, derived from the material needs of the different sectors of world capitalism, the projection of which is manifested in the actions and declarations of its puppet-representatives. They delude themselves that they can direct and control it when their wills and declarations are nothing more than a reflection of this anarchic process that is operating behind their backs and is inexorably imposed on them.

"In nature there are unconscious agents... On the contrary, in the history of society those who act are evidently endowed with consciousness, men who act with reflection or passion and who tend towards certain objectives.... But however important this intention may be for historical enquiry, especially of given epochs and events, nothing can take away from the fact that the course of history is dominated by intimate general laws.... ***Only rarely does what is desired happens... all the clashes of innumerable individual wills and actions lead to a state of affairs which is absolutely analogous to that prevailing in unconscious nature. The aims of actions are desired, but the results which these actions produce are not the desired ones, or, in so far as they appear to correspond to the desired aim, they have in fact in conclusion different consequences from those desired..."*** (F. Engels, quoted in "The Individual as Puppet of History", 1953).

It is not a question of denying that the different groups of the bourgeoisie have desires, wishes, plans for their actions and the results they seek. It is a question of denying any decisive influence of these desires, wills, plans and explanations on the final result and denying them as the driving cause of their action, the ultimate explanation of which must be found instead in economic determinants.

Capitalism can never truly control and plan its system based on the anarchy of production, but it can try to do so, and so it reaches its superior stage, imperialism: *"In the complicated historical process full of multiform local aspects, of advances and reversals, of ebbs and flows, does capitalism, as a social class, have the possibility of reacting to those incurable economic contradictions which are peculiar to it?* ***According to the classic Marxist critique, the bourgeois class will never possess a sure theory or scientific knowledge of economic evolution, and (by its very nature as well as by its purpose) will never be able to establish a discipline over the irresistible forces which it itself has aroused****, like the classic apprentice-sorcerer who could not master the infernal powers invoked.*

But ***this should not be interpreted scholastically in the sense that capitalism lacks any possibility of foreseeing and at least delaying the catastrophes to which its own vital demands lead it.*** *Capitalism will not be able to renounce the need to produce more and more, and in its second stage it will unrestrainedly develop its function of powering its monstrous machine of production, but it will struggle to provide an outlet for a growing mass of products, which would threaten to suffocate it, and it does so by extending its market to the limit of the known world. This is how it enters its third phase, that of imperialism".* (The Historical Cycle of Capitalist Economy, Prometeo no.5, 1947).

Western imperialism's plan

In order to try to mitigate the effect of the burst of speculative capital and the paralysis of productive forces that we have outlined in the previous pages and to offload the maximum of its losses onto another, the US needed to try to offload the crisis onto one of its competitors, isolate it and try to regain relative positions in world imperialism in order to rehabilitate its credentials as a military and economic THUG.

This is the plan that worked for them in 1990 with the first Iraq war (offloading the crisis on Iraq itself and on Japan), the one they tried in 2001-2003 with Afghanistan and Iraq (achieving a temporary recovery, but getting entangled in a conflict that they have had to abandon subsequently), the one they tried again in 2008 with Georgia, the one they tried in late 2013 in Ukraine with the Maidan, the one they tried with China in 2020 and the one that is currently underway. In the previous magazine we explained:

"The US needed an excuse and the excuse is Russia's military attack on Ukraine. This is why the attempt of US imperialism goes beyond getting Russia to withdraw from Ukraine. In fact, the U.S. is not even interested in Russia's withdrawal, but would be much better served by a long war in Ukraine.

To deploy this plan, a whole series of sanctions have been put in place: 1) the massive exit of companies from Russia, 2) the freezing of assets of companies and banks, 3) the ban on buying and selling with Russian state-owned companies, 4) the closure of airspace to Russian airlines, 5) the expulsion of some Russian banks from the SWIFT payment system, 6) the suspension of listing of Russian companies on Western stock exchanges, 7) the veto of Russian companies at the Mobile World Congress, 8) the ban on buying Russian gas and oil in the USA, 9) the refusal of US banks to pay coupons on Russian debt, etc." (The Internationalist Proletarian no.9, p. 22).

A few months later, we can assess the initial results of the attempt to which the US has dragged the EU and Japan, as well as Canada and Australia, but very few others...

Russia's attempted isolation and the regrouping of Western imperialism

Let us first take a look at the attempted isolation of Russia.

In April, Germany, France, Italy, Spain and others expelled dozens of Russian diplomats, followed by a corresponding expulsion of European diplomats from Russia.

In May, at the APEC (Asia-Pacific Economic Cooperation) meeting and coinciding with Biden's Asia tour, representatives of Australia, Canada, the US, Japan and New Zealand left the room as the Russian minister began his speech.

The EU has decided to restrict new visas for Russian citizens. Russia had previously left the World Tourism Organisation before being suspended.

The EU has granted candidate status to Ukraine and Moldova, not without generating blisters on the long-awaited list of candidates.

NATO has integrated Sweden and Finland, as well as resuscitated from the brain death in which it was considered to be plunged by Macron, president of France (see the leaflet distributed by the Party and published in this magazine on page 23: *"Against NATO and all the holy alliances of the world bourgeoisie!"*).

The US has tried its best to make Russia default, relying on its banks, which have refused to transfer payments. Despite this, they have not succeeded because part of the debt had an option to pay in rubles and because the creditors themselves would have to take a huge loss if a default were to materialize.

Between pompous declarations and hesitant real action, a significant number of European and US companies have left Russia. This exit by the end of April had already generated huge global losses of 60 billion for Western companies and very little disruption to the Russian economy. Predictably, the gap left by Western companies has been filled... by Chinese companies!

To this has been added the oil and gas sanctions, the exclusion from SWIFT and the freezing of funds.

Russia's resistance to isolation and regrouping around China

Let us turn to the extent to which Russia continues to play a role and maintain ties with much of the capitalist world.

Despite Russia's biggest fall in GDP since 1994, the Russian economy has recovered quite well from the initial shock and the ruble is one of the most revalued and best performing currencies against the dollar.

Even companies in countries that have imposed sanctions on Russia do not fully comply, seeking alternatives through shell companies in Turkey (which has not imposed sanctions on Russia) to trade with Russia. Similarly, US companies are also finding ways to circumvent US sanctions on China, mainly through Mexico.

A third of African countries abstained in the UN vote to 'condemn Russia's invasion of Ukraine'. In the next article in this issue, we look at why.

In June the St Petersburg International Economic Forum was held, attended by 41 delegations compared to 130 in 2021. Delegations included Egypt, China, Turkey, Iran, Brazil, Nicaragua, Chile, Venezuela and Cuba. The Chinese president participated telematically in the plenary session. According to Russian representatives, *"in this edition commercial agreements were signed for 5.6 trillion rubles (92.7 billion euros) compared to 3.8 trillion (62.9 billion euros) last year"*. (El País, 20-06-2022).

In the same month of June the summit of the BRICS (Brazil, Russia, India, China and South Africa) was held, in which Russian

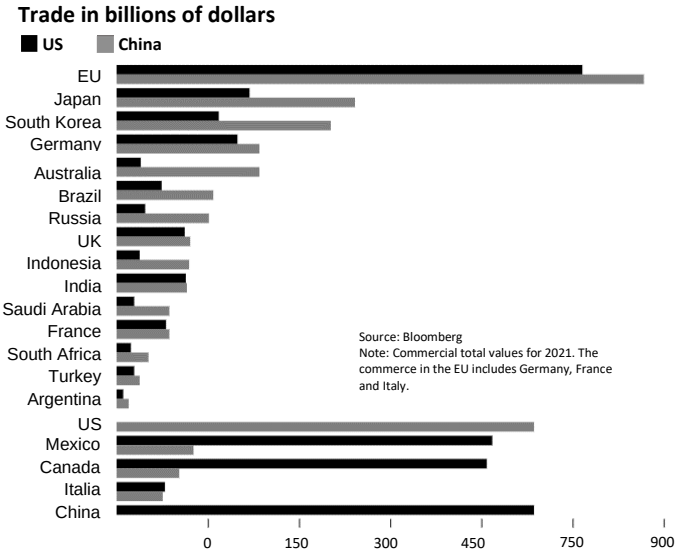
imperialism asked the rest of the imperialisms present for help in the face of the *"foolish and selfish actions of certain states which, using financial mechanisms, pass on their mistakes in macroeconomic policy to the whole world"* (Expansión, 24-06-2022), followed by the Indian president's assertion that as far as the government of the world economy is concerned, the five countries have *"a very similar approach*." India has refused to negotiate a trade agreement with the US in September 2022.

We have seen before how India and China have been the main buyers of Russian oil, with discounts included, and China has not limited itself to this: *"Between January and July, trade exchanges between China and Russia increased by 29%, to over 74.14 billion euros (...) the Asian giant's imports from Russia increased by 48.8%, to reach 60.35 billion"* (Expansión, 09-08-2022).

North Korea has recognized the Republics of Lugansk and Donetsk. For its part, China has responded with silence to Ukraine's requests for diplomatic talks.

Russia has supported the new Sri Lankan government by promising oil supplies.

The US demanded Russia's expulsion from the G20 but China opposed it and the expulsion did not materialize. It is time to look at the behavior of G20 member states: more than half have not imposed sanctions on Russia. The explanation lies very simply in the material economic basis. All G20 countries except Mexico, Canada and Italy have more trade with China than with the US.



The next meeting of this enlarged global group of cannibals and thieves will be in Indonesia. The Indonesian president has announced that both Xi Jinping and Putin have informed him that they will attend the next meeting. A material explanation of his announcement: *" In the five years to 2022, US investments in Indonesia were less than a quarter of the combined $40 billion that China and Hong Kong have put in. (…) While Russia accounts for only a small portion of investments, Indonesia's state-owned energy company Pertamina has a joint venture with Rosneft to build a $13.5 billion refinery".* (Bloomberg, 19-08-2022).

The global role played by Russia in the military sphere will be discussed in the article *"Development of military effervescence as a reflection of the trade war".*

Finally, there have also been other lukewarm statements such as those of Brazil and the Vatican, which have not taken sides but have stated that Russia is not solely responsible for the situation.

Investment in infrastructure around the world

All the representatives of the various bourgeoisies have embarked on various tours of Africa, Latin America and Oceania to try to reach agreements and gain areas of influence. What material basis do they have for their expansion plans? (see also "The International Proletarian" no. 9, page 11).

During the G7 summit, the US has announced *"a programme to mobilise $190 billion (about 180 billion euros) of public and private capital until 2027. (...) The EU already launched its plan in this sector at the end of last year, with the intention of mobilising 300 billion euros, also with 2027 as the horizon for completing the disbursement. Overall, the group hopes to inject around 570 billion euros*". (La Vanguardia, 27-06-2022).

The fact is that Chinese imperialism has already invested since 2013 at least 843 billion dollars (some sources such as Fudan University put the cumulative investment at 980 billion dollars) in 165 countries around the world in the New Silk Road project. This investment, not only announced but already done, produces the following results: *" In the first seven months of this year, China's total imports and exports to countries involved in the Belt and Road Initiative reached 7.55 trillion yuan ($1.12 trillion), up 19.8 percent, according to the latest data from the country's General Administration of Customs."* (China Daily, 08-08-2022).

The fight for chips and electric cars

The US has passed the "CHIPS Act", a $52 billion fund to finance manufacturers, with one significant condition (not without opposition): *"Companies that receive the funding have to promise not to increase their production of advanced chips in China.* (...) *Intel has been lobbying hard against the move to curb US investments in China's chip sector. In late 2021, the American chipmaker wanted to increase production in China but that plan was spurned by the White House."* (Bloomberg, 02-08-2022).

On the other hand, to what extent will this plan represent a real increase in US production? *"TSMC's factory in Arizona will end up accounting for a minuscule 1% of its global capacity. And even then, once those chips are manufactured, they'll be popped straight onto a plane to be tested and packaged in Asia, before being assembled into a phone or PC in China."* (Bloomberg, 30-07-2022).

The technology sanctions imposed by the US on China from 2020 have had this result*: "19 of the world's 20 fastest-growing chip industry firms over the past four"* are Chinese (Bloomberg, 20-06-2022). A former Google CEO put it in the following terms: *"If Beijing develops durable advantages across the semiconductor supply chain, it would generate breakthroughs in foundational technologies that the U.S. cannot match*" (Wall Street Journal, 20-06-2022).

The effect produced by the latest US protectionist attempt regarding electric vehicles is highly symptomatic. The Inflation Reduction Act (IRA) *"offers as much as $7,500 in tax credits for new electric vehicles as long as their batteries are composed of critical materials — like lithium, nickel and cobalt — that are extracted, processed or recycled in the US or by the nation's free-trade-agreement partners. Critically, the law excludes critical battery components from China, Russia and other 'foreign entities of concern'."* (Bloomberg, 15-09-2022). This measure targeting China and Russia has provoked protest from... the EU and South Korea, which has gone so far as to call the law a "betrayal". In fact, this provision even harms US companies: *"Tesla, General Motors and Ford (...) still relay on Chinese battery manufacturers and Russian nickel. "Currently, that is a*

standard that no one can meet, including U.S. companies" (Bloomberg, 15- 09-2022) *"Tesla Inc. Chair (...) has defended the U.S. electric car maker's emphasis (...) Tesla delivered 76,965 Chinese-made vehicles in August "* (Bloomberg, 14-09-2022).

On the other hand, despite the fact that the US has maintained most of the tariffs on Chinese products that had been approved by the previous ruling current, it is another matter what effect they have, because Chinese companies also introduce part of their products in the US, under the label "made in Mexico": *"Chinese investment in Mexico jumped from $154 million in 2016 to $271 million the following year (...) hitting just under $500 million last year"* (Bloomberg, 14-09-2022).

Development in means of payment and currencies

Part of Russia's attempted isolation was based on the preponderance of Western imperialism in currencies and means of payment, but this situation is gradually changing. For example, after the meeting of the Turkish president with the Russian president, the former announced that *"Five Turkish banks have adopted Russia's Mir payments system."* (Bloomberg, 06-08-2022). Moreover, as a consequence of sanctions a gradually increasing share of trade involving Russia is done in yuan, rubles and rupees, as in Russia's gas supply contracts with China and India.

On the Moscow Stock Exchange, yuan trading is close to that of the dollar, with a volume of 40.251 billion rubles for the former and 56.961 billion rubles for the latter.

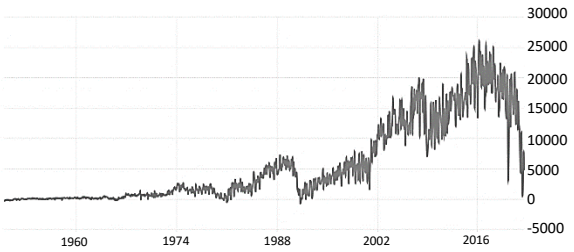
"Moscow is also rewriting rules to allow its sovereign wealth fund to invest in the currencies of China, India and Turkey, after penalties blocked euro and dollar purchases." (Bloomberg, 30-08-2022).

In fact, *"Russia is considering a plan to buy as much as $70 billion in yuan and other "friendly" currencies this year to slow the ruble's surge, before shifting to a longer-term strategy of selling its holdings of the Chinese currency to fund investment."* (Bloomberg, 01-09-2022).

The dollar's share of world reserves has been steadily declining. However, the main casualties of the rise of the yuan are so far the euro and the yen: *"The latest annual survey of monetary authorities conducted by USB shows that, over the past year, the Chinese currency is the second most purchased and most likely to be bought (...) The EU currency [the euro], the second most important currency in the IMF basket, leads the list of sales by the institutions over the past year, followed by the yen."* (Expansión, 02-07-2022).

Trade balances of the major powers

In July 2022, Germany suffered its first trade deficit since 1991 (of -$1 billion, later revised to a small surplus of $800 million):

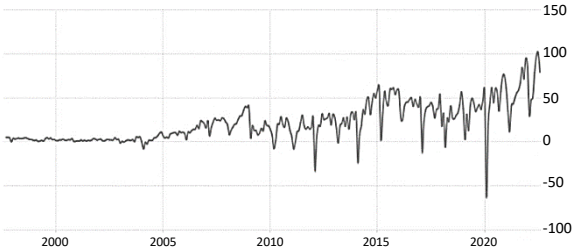


Source: Tradingeconomics.com / Federal Statistical Office

For its part, the US is reducing its trade deficit, with the trade balance standing at -$70.7 billion in August 2022.

Source: Tradingeconomics.com / Bureau of Economic Analysis (BEA)

China maintains a consistent trade surplus that, through some swings, has been rising, standing at +79.39$ billion in August 2022.



Source: Tradingeconomics.com / General Administration of Customs

Russia also maintains a trade surplus despite sanctions that have reduced exports, but even more so the level of imports.

Source: Tradingeconomics.com / Central Bank of Russia

In fact, Russia has multiplied its current account surplus (the balance of trade in goods and services plus net income, interest, profits and dividends and current transfer payments) by a factor of three to $167 billion.

Boycotts against non-Chinese companies and weakness of Western companies

One manifestation of the dependence of Western companies on the Chinese market and the weakness that results from it are the apologies and genuflections they have to make every time the Chinese consumer public feels their nationalist sentiments hurt and boycotts. They have organized *"at least 78 boycotts of foreign companies since 2016 (…) More than 80% of companies apologized"* (Bloomberg, 11-07-2022). Another sign of the world's dependence on China was the UN envoy's embarrassing role in relation to her visit to Xinjiang: she was only able to make a timid report before (being made to) resign from her position.

A look at the core of world imperialism

In "The Internationalist Proletarian" no. 8 (p.6) we have published the evolution of the participation by countries in the Fortune Global 500 list, in which it can be seen that the capitalism of the Chinese area has already been surpassing that of the US for some years now in the number of companies in the 500 companies with the highest turnover.

If we look at the global ranking of the 500 companies with the highest turnover published by Fortune magazine in August 2022, we see that for the first **time the revenue of companies from the Chinese capitalism area (China,**

Hong Kong and Taiwan) exceeds the turnover of US companies. The consolation for the US representatives is that their companies on the list have a higher aggregate "profit". This "profit" in Fortune is not profit in the Marxist sense but profit after interest, taxes, depreciation and amortization. Therefore, it is not surprising that in those areas where real profit is reinvested and the process of accumulation continues (albeit slowing down), there is an increase in revenue and a lower net profit (not in the whole profit in a Marxist sense, as the total of not paid value that has been extorted and even realized).

Below is the table published by The Banker in August 2022:

Firsts 20 world banks in 2022

Place	Bank	Country	Tier 1 (M$)	Assets (M$)
1	ICBC	China	508.848	5.521.410
2	China Construction Bank	China	403.322	4.749.447
3	Agricultural Bank of China	China	377.137	4.563.447
4	Bank of China	China	342.245	4.195.041
5	JPMorgan Chase	US	246.162	3.743.567
6	Bank of America	US	196.465	3.169.495
7	Citigroup	US	169.568	2.291.413
8	Wells fargo	US	159.671	1.948.068
9	HSBC Holdings	UK	156.292	2.957.939
10	Bank of Communications	China	150.742	1.831.359
11	China Merchants Bank	China	130.515	1.541.966
12	Mitsubishi UFJ Financial Group	Japan	126.440	3.053.365
13	Postal Savings Bank of China	China	124.491	1.976.118
14	Crédit Agricole	France	122.215	2.640.406
15	BNP Paribas	France	113.926	2.993.686
16	Industrial Bank	China	107.465	1.350.553
17	Goldman Sachs	US	106.766	1.463.990
18	Shanghai Pudong Development Bank	China	103.443	1.277.356
19	China Citic Bank	China	99.221	1.262.619
20	Banco Santander	Spain	93.695	1.813.449

China has gone from having 4th to 5th of the top 10 banks by assets. More specifically, it has the top 4th and also number 10th. The US has banks 5th to 8th and number 9th is a British bank of Hong Kong origin.

Where does the above data lead to?

The following preliminary conclusions can be drawn. The main loser in the struggle between enemy capitalist brothers is obviously Ukrainian capitalism which is on the receiving end of the physical destruction of the war. This is followed by EU imperialism which has lost its equidistance between China and the US and at the same time cannot rely on the US either, has seen its trade balance shrink and its currency weaken, while facing the consequences of the Russian gas cut-off. Russia has obviously taken a hit and has increased its dependence on China, but has been compensated in the grain and arms trade and by higher oil prices. The US has gained a little relief on the trade balance but has failed to prevent the bursting of its speculative bubble, has a domestic situation on the brink of civil war, and has failed to get the G20 to align with its approach. The main beneficiary of the situation is China, despite not having been its promoter.

The material development of capitalism prevents the US from benefiting substantially from its own actions, even when it achieves partial goals, while it is China that reaps the benefits of its actions globally.

In view of the foregoing, it is possible and **is even becoming likely that the result of this attempt to isolate Russia will be the isolation of the US itself (and its allies)**, the very thing that the current ruling establishment had set out to avoid.

Will the US allow this gradual isolation without fighting by all means and, if necessary, without **DIE KILLING**?

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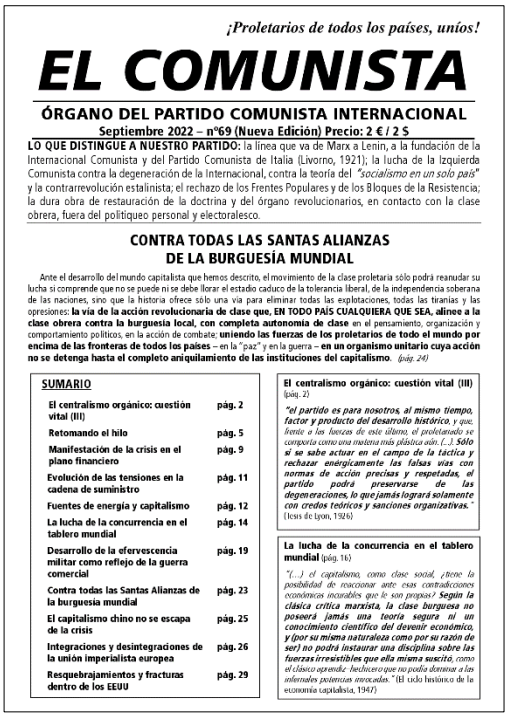

¡Proletarios de todos los países, uníos!

EL COMUNISTA

ÓRGANO DEL PARTIDO COMUNISTA INTERNACIONAL

Septiembre 2022 – nº69 (Nueva Edición) Precio: 2 € / 2 $

LO QUE DISTINGUE A NUESTRO PARTIDO: la línea que va de Marx a Lenin, a la fundación de la Internacional Comunista y del Partido Comunista de Italia (Livorno, 1921); la lucha de la Izquierda Comunista contra la degeneración de la Internacional, contra la teoría del *"socialismo en un solo país"* y la contrarrevolución estalinista; el rechazo de los Frentes Populares y de los Bloques de la Resistencia; la dura obra de restauración de la doctrina y del órgano revolucionarios, en contacto con la clase obrera, fuera del politiqueo personal y electoralesco.

CONTRA TODAS LAS SANTAS ALIANZAS DE LA BURGUESÍA MUNDIAL

Ante el desarrollo del mundo capitalista que hemos descrito, el movimiento de la clase proletaria sólo podrá reanudar su lucha si comprende que no se puede ni se debe llorar el estado caduco de la tolerancia liberal, de la independencia soberana de las naciones, sino que la historia ofrece sólo una vía para eliminar todas las explotaciones, todas las tiranías y las opresiones: **la vía de la acción revolucionaria de clase que, EN TODO PAÍS CUALQUIERA QUE SEA, alinee a la clase obrera contra la burguesía local, con completa autonomía de clase** en el pensamiento, organización y comportamiento políticos, en la acción de combate; **uniendo las fuerzas de los proletarios de todo el mundo por encima de las fronteras de todos los países** – en la "paz" y en la guerra – **en un organismo unitario cuya acción no se detenga hasta el completo aniquilamiento de las instituciones del capitalismo**. *(pág. 24)*

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*"el partido es para nosotros, al mismo tiempo, factor y producto del desarrollo histórico, y que, frente a las fuerzas de este último, el proletariado se comporta como una materia más plástica aún. (...) **Sólo si se sabe actuar en el campo de la táctica y rechazar enérgicamente las falsas vías con normas de acción precisas y respetadas, el partido podrá preservarse de las degeneraciones, lo que jamás logrará solamente con credos teóricos y sanciones organizativas.**"* (Tesis de Lyon, 1926)

La lucha de la concurrencia en el tablero mundial (pág. 14)

*"(...) el capitalismo, como clase social, ¿tiene la posibilidad de reaccionar ante esas contradicciones económicas incurables que le son propias? **Según la clásica crítica marxista, la clase burguesa no poseerá jamás una teoría segura ni un conocimiento científico del devenir económico, y (por su misma naturaleza como por su razón de ser) no podrá instaurar una disciplina sobre las fuerzas irresistibles que ella misma suscitó**, como el clásico aprendiz hechicero que no podía dominar a las infernales potencias evocadas."* (El ciclo histórico de la economía capitalista, 1947)

The Russian army began its offensive on February 24th 2022. Despite its initial rapid advance, it failed to reach Kiev in the first few days, having to stop to secure supplies. The next phase saw the Russian army concentrating its effort on controlling the Donbas. The Russian army concentrated on securing the southern connection, taking Mariupol and the Zaporizhzhia nuclear power plant. Ukrainian troops are currently deploying an offensive in the south and north. In any of the phases, the deaths are suffered by the proletariat of both countries in a criminal war in which all the contenders represent their own- and third-party imperialist interests.

Social control and militarization

In Ukraine and in Russia, militarization measures have been taken and are being taken at an accelerated pace, which should serve as a warning to the proletariat of the countries not yet belligerent.

Since the entry of Russian troops into Ukraine, the Ukrainian government banned men between the ages of 18 and 60 from leaving the country, instituted compulsory registration in military offices, and through compulsory conscription *"now has around 700,000 active soldiers."* (Bloomberg, 09-21-2022). This is evidence that the "defense of the fatherland" is done by coercion of the bourgeois state and that the workers are enlisted by force, as is also evidenced by the use by the Ukrainian bourgeoisie of veterans of the war in Afghanistan to "teach new soldiers to overcome the taboo of killing".

Both in Ukraine and in Russia, there are settling of scores and arrests of dissidents or "suicides" such as that of the president of Lukoil, a company that had spoken out against the war, and four Gazprom executives.

For its part, Russia has eliminated the maximum age for enlisting in the armed forces, has decreed an increase in the number of army personnel through an incentive plan, has introduced flag raising, provides patriotic and militaristic training in schools and institutes and has created a youth organization to promote patriotism.

In view of the military setbacks and accusations of treason for not deploying its full military potential, Russia has had to announce on September 21st the mobilization of 300,000 reservists and is holding integration referendums in the occupied areas. These referendums are associated with the declaration to use nuclear weapons in case of aggression on its borders and the deployment of the army considering the area as Russian. On the production field, Russia has promoted a law for the war economy so that the enterprises will not be able to refuse government orders and that the government will be able to impose on the workers overtime, night work, work on weekends or vacations. To impose these working conditions, they count on the collaboration of the "workers' representatives", that is, on the straitjacket of subsidized trade unionism.

Against this bourgeois coercive machine which operates on both sides of the front to force the proletarians to die and to kill other class brothers, neither conscientious objections nor the illusions of pacifism are of any use. The only useful slogan for the proletariat is the revolutionary slogan of turning the barrels of the guns against its "own" bourgeoisie, the only one that can stop the bloodbath among class brothers and transform the imperialist war into a revolutionary civil war: *"You will be given a gun. Take it and learn the military art properly. The proletarians need this knowledge not to shoot your brothers, the workers of other countries, as is being done in the present war, and as the traitors to socialism are telling you to do. They need it* ***to fight the bourgeoisie of their own country, to put an end to exploitation, poverty and war,*** *and not by pious wishes, but by defeating and disarming the bourgeoisie."* (The Military Program of the Proletarian Revolution, Lenin, 1916).

Imperialist military support to Ukraine

Ukrainian capitalism counts on the provisioning of weapons by: Australia, Belgium, Canada, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Turkey, UK and USA.

The US has approved in March and May two packages to provide continued aid to Ukrainian capitalism, of $13.6 billion and $40 billion respectively. In these budgets, two thirds are military aid, another third is money to sustain the functioning of the state and a residual part is earmarked for civilian food programs. In August, the U.S. was preparing to send $1 billion in military aid from its weapons stockpiles, the 18th drawdown of existing inventories since August 2021.

The UK announced on April 10, 2022, the contribution of military hardware and, during the NATO summit, announced the shipment of supplementary aid worth 1.16 billion euros, which will include air defenses, drones and electronic warfare equipment.

The EU has also started supplying armaments to Ukraine. Germany changed its previous policy at the end of May, announcing the shipment of 50 Gepard tanks and training for Ukrainian troops. The reality of the war has imposed a retreat of the sector tending towards an entente with Russia or at least to a position of neutrality: it is too dangerous to simply allow Russian imperialism to occupy any country in the area of influence of the EU and neither can they allow these countries to fall into the arms of the USA completely.

However, Hungary has dissociated itself from the rest of the EU countries: *"We do not want the Hungarian-Ukrainian border to be an arena for arms deliveries. (...) We will not send or allow the transit of arms."* (El País, 12-05-2022).

Chinese companies, such as drone manufacturer DJI, have also acted cautiously: *"announced the temporary suspension of its operations in Russia and Ukraine to prevent its devices from being used as weapons."* (La Vanguardia, 28-04-2022).

On the other hand, the analysis of 27 Russian weapons or weapon systems found on the ground, show that *"more than 450 electronic components manufactured outside Russia were found, up to 70% of them by US companies, and the rest, from Japan, Taiwan, Switzerland, Holland, Germany, China, South Korea, the UK and Austria."* (La Vanguardia, 13-08-2022). Business is business and *"a Russian company would have imported in March (with the war already underway) Texas Instruments material worth 600,000 dollars."* (La Vanguardia, 13-08-2022).

Resurrection and enlargement of NATO

NATO has been given a major resuscitation at the Madrid summit with the modification of the definition of its "strategic concept". The resulting text refers to Russia as *"the most significant and direct threat"* and to China saying that *"its ambitions and coercive policies challenge our interests".* A statement pledging *the "defense of every inch of allied territory"* has also been added. This is evidently a further step towards

preparing for World War III, but in the face of such a bombastic statement it is worth remembering that US military policy has been more to whip up one against the other and then intervene from afar or when the balance is already tipped. It remains to be seen whether this bloc will really remain united when one of its members goes to war.

Finland and Sweden have been invited to join NATO and, despite initial resistance from Turkey, their integration process is almost complete. Turkey has obtained, in exchange for not blocking the process, commitments from Finland and Sweden to lift the arms embargo, revise anti-terrorism legislation and sign extradition treaties to hand over Kurdish and Turkish exiles claimed by Turkey.

The number of NATO troops on alert has increased to 300,000. The US sent 20,000 troops to Europe in February, which brought the number of US troops to 100,000. The US military presence in Europe will further increase with two new destroyers at the Rota base, the opening of a headquarters and support battalion in Poland, a 3,000-strong brigade in Romania, increased military presence in the Baltic countries, two additional F-35 squadrons in the UK and reinforced anti-aircraft positions in Germany and Italy.

The war in Ukraine has generated a greater integration of EU imperialism, but it has also evidenced its military weakness and important contradictions within it, which will be analyzed in more detail in the article on the *"Integrations and disintegrations of the European imperialist union"*.

Military exercises organized by Russia

Russia has continued to organize and participate in military exercises worldwide, such as the military exercises held in Venezuela by Russia, China and Iran in August 2022 and the maneuvers held in Russia in September with the participation of China, India, Belarus, Kazakhstan, Kyrgyzstan, Armenia, Azerbaijan, Tajikistan, Syria, Algeria, Mongolia, Laos and Nicaragua (which has given the green light for the installation of Russian military bases on its territory).

These or similar exercises have been promoted by Russia for years. As an example, in September 2019, military exercises were jointly conducted in Russia by China, India, Pakistan, Kazakhstan, Kyrgyzstan, Kyrgyzstan, Tajikistan and Uzbekistan. In December 2019, Russia and India held joint military exercises on Indian territory. In February 2021, Russia organized another military exercises with the participation of India and 10 other countries including China and Pakistan as observers.

Keep in mind that, in addition to training thousands of foreign military personnel in its schools, *"between 2017 and 2021, Russia has become the second largest exporter of armaments in the world, with a market share of 19%."* (La Vanguardia, 16-08-2022).

Conflicts in Europe, the Caucasus and central Asia

The war in Ukraine is not a war between Russia and Ukraine but the manifestation of a larger conflict.

The Russian Foreign Minister was unable to visit Serbia in June because of the closure of airspace by Bulgaria, North Macedonia and Montenegro. It is true that Serbia condemned Russia at the UN but has refused to apply any sanctions. It has also agreed *"to extend for three years the purchase of natural gas from Russia at a reduced price (...) it is the fourth most dependent country in the world on Russian gas (almost completely), its main electricity companies are mostly owned by Russian companies (...) the pro-Russian demonstrations for the war have attracted more people than the pro-Ukrainian ones."* (El País, 07-06-2022).

In August, there have been a series of blockades of the Kosovo border by the Serb minority after the government stopped recognizing documentation issued in Serbia. Nor does Serbia recognize Kosovar documentation and Police and NATO intervention forces have been deployed in view of the blockades and barricades erected. Finally, with the intervention of European imperialism, the waters have been temporarily calmed with an agreement on mutual recognition of documentation.

In Bosnia and Herzegovina, the UN representative has vetoed a law of the Bosnian Serb Republic, which has prompted the Russian embassy to denounce the UN as a destabilizer, while *"not recognizing its authority and considering its activities illegitimate."* (La Vanguardia, 14-04-2022).

Russia has demanded that Moldova, which imports 89% of its gas from Russia, pay the interest on the debt contracted, consisting of *"417 million euros, although with interest it rises to 683 million"* (El País, 14 -05-2022), on pain of cutting off its supplies. In parallel, the EU declared that *"we announced last year a support of seven million euros for* [military] *equipment; this year, we plan to increase this amount."* (El País, 05-05-2022).

In Transnistria, where Russia maintains 2,000 troops, there was an attack with *"grenade launchers against the Ministry of State Security, there were two explosions in the broadcasting center in the town of Maiak and they also attacked a military unit in Parcani".* (La Vanguardia, 27-04-2022). The Moldovan government claims that this is a provocation to justify further Russian deployment. Be that as it may, what is evident is that the powder keg is ready and is being played around merrily with a lit lighter. Transnistria is home to the largest arms depot in Eastern Europe and the EU has just accepted Moldova as a candidate to strengthen its government. Russia claims that *"any action against its troops in Transnistria will be a direct attack on Russia."* (Europa Press, 01-09-2022).

On September 13th the conflict between Armenia and Azerbaijan again caught fire, with military clashes on their borders ending with 49 Armenian soldiers and 50 Azeri soldiers dead. Each bourgeoisie accuses the other of having initiated the clash and Armenia has asked Russia for military aid. Recall that Russia has a military base in Armenia and 2,000 troops in Nagorno-Karabakh but in 2020 refused to help Armenia militarily. Turkey has stated that it is *"always on Azerbaijan's side"* (Bloomberg, 13-09-2022) and Russia has negotiated a ceasefire with both sides. From the point of view of imperialist interests, the detonation of a military conflict between Armenia and Azerbaijan would be an attempt to confront Turkey and Russia, with a possible additional gas cut-off to the EU as a collateral effect.

A clash has also erupted on the border between Kyrgyzstan and Tajikistan in which 24 soldiers have been killed, which has been quickly followed by a ceasefire agreement.

Shanghai Cooperation Organization

The economic and security cooperation organization consisting of China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, India, Pakistan and Iran held its summit in Uzbekistan. Turkey (a NATO member) and an observer country of the SCO since 2014 also participated and has applied for membership.

At this meeting both China and India have asked Russia for explanations about its military intervention in Ukraine, without withdrawing support for it.

In any case, the focus of China's attention has been on instructing the rest to resist any foreign interference aimed at destabilizing their territories, foreseeing the movements that the US will try to organize and also the spontaneous explosions that the escalation of the material situation may produce; as is currently happening in Iran with the repression of the protests that so far total 41 murders of demonstrators and has led to the closure of the Internet.

Military intervention in Syria

In July a summit has been held between Turkey, Russia and Iran in which they agreed on the coordination of their military intervention in Syria and, in the words of the representative of Iranian capitalism, *"to put an end to Washington's influence in the conflict"* (El País, 20-07-2022).

Military bloc of Israel and four Arab countries

As for Israel, Morocco's recognition and Saudi Arabia's permission for its planes to fly over the Arabian Peninsula, it should be added that: *"The heads of diplomacy of Israel, Egypt, the United Arab Emirates, Bahrain and Morocco coordinated yesterday to dissuade Iran. (...) The unprecedented meeting, blessed by the presence of the US Secretary of State, Antony Blinken, gave birth to a 'stable forum for cooperation in security, intelligence and technology in a framework of progress and religious tolerance'".* (El País, 29-03-2022).

The imperialist struggle in Africa

The Global Security Initiative promoted by China has been put into operation in the Horn of Africa, where China has convened a "peace" summit attended by seven of the eight countries in the area (Eritrea was absent). China has imperialist political as well as economic reasons: *"Chinese credits worth $33.9 billion have flooded into the region since 2000 (...) earlier this month, a Chinese group of companies bought a $560 million stake in a zinc and copper mine in Eritrea."* (The Wire, 26-06-2022). In addition to investing in infrastructure, China has also been involved to a lesser extent in arms sales*: "From 2010 to 2020, nearly a fifth of all Chinese arms sales were to African countries, with about 20% of them going to East Africa."* (The Wire, 26-06-2022).

In the Sahel, the 5,500 French soldiers have had to leave Mali completely, the Spanish soldiers have gone from 600 to 400 and are expected to be reduced to 200, Germany reduces from 600 to 300 its military present in the area which will be stationed in Niger and not in Mali. **European imperialism has been swept out of the Sahel.** In its place there are, in Mali, some 2,000 Russian military and mercenaries. Russia is negotiating the construction of a military base in Sudan and has troops also in Central African Republic. China, which already has a military base in Djibouti, is negotiating the installation of a second base in Equatorial Guinea. The current situation is well described by the following excerpt*: "The Malian army received last week a new batch of weapons from Russia consisting of six fighter planes and helicopters, and President Putin promised by telephone to the coup leader, Colonel Assimi Goita, to extend military aid to other areas, such as food and energy. Last week, a relief of German soldiers from the UN mission in Mali, Minusma, found themselves banned by Mali from landing."* (La Vanguardia, 16-02-2022).

This withdrawal of European troops has been followed by an increase in attacks and attacks by so-called *jihadist* groups (let us recall that most of these groups have been or are financed by the same US or European states), in retaliation for the military operation of the Malian army and a hundred Russian mercenaries in Moura.

What are the material bases of this almost effortless expulsion of European imperialism from the Sahel?

Russia's trade with Africa is 20 billion euros a year and one third of the arms bought in Africa comes from Russia. The main buyers are Egypt and Algeria, but also Nigeria, Sudan, Angola, or Mali.

On April 12, 2022, Russia and Cameroon signed *"a military agreement for the exchange of information and training of troops, a type of pact that has become common currency in Africa and exists in about twenty countries."* (El País, 04-05-2022). Regarding China: *"In the last 20 years, a small handful of Chinese state-owned and financial companies have financed one in five new infrastructure projects in Africa and built a third of them. More than half of the Chinese-funded projects are related to the transport sector, including ports and railroads, followed by those related to energy. (...) A quarter of Africa's commercial ports have links to Chinese companies, leaving only eight coastal or island countries without some form of Chinese port infrastructure. (...) The greatest concentration is in West Africa, from where critical minerals including bauxite, cobalt and copper are exported. (...) Just four rail projects completed between 2015 and 2017 have added nearly 2,800 kilometers of track (...) Chinese builders and financiers have backed at least 78 power plants - using mostly hydropower or coal - with a total generating capacity of nearly 27,000 megawatts, roughly the equivalent of Belgium. (...) ZTE has telecom projects in at least 60% of African countries, while Huawei has won concessions for an estimated 70% of the continent's 4G networks."* (The Wire, 22-05-2022).

Afghanistan

Amid grandiloquent declarations, the US announced that it had killed with a drone a member (currently irrelevant) of Al Qaeda in Kabul. US influence has been reduced to a minimum after its withdrawal, without prejudice to using the Islamic State of Khorasan to create occasional difficulties for the ruling Taliban sector in favor of modern capitalist management, such as the attack on a Taliban official in favor of allowing women to study.

On the contrary, at the SCO summit, China proposed to help *"Afghanistan to create "inclusive" political structures and eliminate "the breeding ground of terrorism"."* (La Vanguardia, 17-09-2022), i.e., to support the Afghan government and extend Chinese influence in this state.

The struggle for the Central Indo-Pacific

China failed in June to get a dozen Pacific Islands Forum countries to sign its "China-Pacific Island Nations Joint Development Vision" agreement that included a much closer relationship in *"security, trade or technology"* (La Vanguardia, 04-06-2022). However, in April, it had managed to sign an agreement with the Solomon Islands that *"contemplated issues of trade, fishing and - above all - security, by allowing the dispatch of Chinese security forces to maintain social order. Chinese military ships will be able to make visits and carry out 'logistical replacements'"* (El País, 28-05-2022). This agreement has generated concern in Australia and the US that China may end up installing a naval base there. The Solomon Islands began recognizing China instead of Taiwan in 2019.

The US has also alleged that China is building a naval base in Cambodia, but both China and Cambodia deny this. What they do admit is that they will jointly expand the Ream base. The US has reasons for this nervousness that sees in every move by China a new military base because, regardless of whether they

are or not, the fact is that Chinese influence in the area will inevitably spread and, if it does not have them now, it will have them.

In March the US and the Philippines held their largest joint military exercises in three decades: *"5,100 US troops and 3,800 Philippine soldiers will train in the South Asian country from March 28 to April 8. (...)."* (Bloomberg, 23-03-2022).

Provocations in Taiwan and Korea

Despite the opposition of the US President himself, the Speaker of the US Congress (also a member of the Democratic Party) paid an official visit to Taiwan in early August.

It is not the first time that a US representative has visited Taiwan recently, see "El Comunista" nº 64 (p. 21-22).

This visit prompted a show of military force by China which carried out its largest military exercises close to the island, using live fire and reproducing a sea and air blockade of Taiwan. This has been accompanied by a multiplication of patriotic nationalist rhetoric on both sides. China also responded with the temporary blockade of *"imports of more than a hundred products from multiple Taiwanese food companies"* (El País, 03-08-2022), highlighting Taiwan's economic dependence on exports to China.

China claims that maneuvers around Taiwan will be commonplace and are, in the words of the Chinese state-owned media Global Times, a *"rehearsal for reunification operations"* (El País, 08-08-2022). China has also sanctioned for life seven Taiwanese politicians and officials.

The US has continued to fuel the provocations with two subsequent visits by two groups of US parliamentarians to Taiwan, parading a couple of ships through international waters in the Taiwan Strait and even signing a trade pact with Taiwan. He has also approved the *"sale of defensive weapons to Taiwan for close to $1.1 billion."* However, *"The transaction may take years* (!!) *to materialize (...)"* (La Vanguardia, 04-09-2022).

The US is playing on top of a powder keg with a lighter that only makes sparks, hoping that, due to a miscalculation, someone will cause a real flame and the keg will explode. The only thing they can do is to provoke, and China has no reason to let itself be provoked because time is on its side (unlike Russia with Ukraine, for example). Neither can the US support Taiwan commercially, nor will it intervene militarily to help it. Economically, the US is the world's biggest debtor and Taiwan's economy is fully integrated with that of China. On the military front, the US has had to withdraw its military with its tail between its legs from Iraq and Afghanistan while recovering its historic strategy of waiting until the others have bled to death before intervening. However, all of the above does not mean that the powder keg may not explode.

The same pyromaniac game is being played in Korea, where the US has conducted joint military maneuvers with the South Korean army. To the more than 30 missiles launched into the Sea of Japan by North Korea in 2022 are now added the 8 missiles also launched by South Korea and the US on June 6. In any case, in South Korea there were important demonstrations against the military exercises with the US and to change the policy towards North Korea and China.

The bourgeoisie itself already speaks openly in its own media of a third world war

The Russian Foreign Minister (Lavrov) declared on 26-04-2022 about the third world war that *"the danger is serious, it is real, it cannot be underestimated".* Something similar was said by the Chancellor of Germany (Scholz) who declared in Der Spiegel that *"I am doing what I can to prevent a third world war",* at the same time committing himself to send armaments to Ukraine.

In the following passage of the Manifesto we find all the determining ingredients of the present situation: the need for the destruction of the excessive productive forces and a new partitioning of the world: *"On the one hand by* ***enforced DESTRUCTION of a mass of productive forces;*** *on the other, by the* ***CONQUEST of new markets, and by the more thorough EXPLOITATION of the old ones."*** (Manifesto of the Communist Party, 1848).

Our Party has affirmed: ***"The true and proper crisis that will arise historically between the second and third world wars will be, even more than that between the first and second wars, international, (...). And this crisis will place the world on the eve of another general war, if it will not place it on the eve of the revolution, one of whose conditions is the development, which requires decades, of a party*** *whose program is destructive of the "myth of production" and of the "myth of consumption", linked by the "mercantile myth""* (The Course of World Capitalism in the Historical Experience and the Doctrine of Marx, 1958).

As Marxists, we do not therefore need the declarations of the bourgeoisie to be certain of the inevitability (if a revolution does not prevent it) of the third world war, imposed by the development of the crisis of relative overproduction of capital. Having said this, it seems to us symptomatic that in the will and external manifestations of the representatives of the impersonal system that is capitalism, this future course of events is beginning to be reflected with greater clarity.

The present conflicts are the prelude to a greater conflict that executes the destruction that capitalism needs. In this situation, for the world proletariat the only alternative road to being immolated as cannon fodder in the world slaughter is to recover the slogans of **revolutionary defeatism**, of **class internationalism,** its organization in **International Communist Party** for **the transformation of the imperialist war into revolutionary civil war,** the **overthrow of its own bourgeoisie** and the transitory establishment of the **dictatorship of the proletariat** towards a society without classes, without private property, without wage labor, without mercantile and company regime.

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AGAINST NATO AND ALL THE HOLY ALLIANCES OF THE WORLD BOURGEOISIE

The NATO summit is being held at this time in Madrid. Undoubtedly**, a summit of criminals and murderers, the summit of a world bourgeois terrorist organization.** And this summit is being held with a government in the Spanish State of false "socialists" and "communists" who are nothing more than the most fervent lackeys and defenders of the capitalist system, its best managers. We must **denounce, destroy and pass over this false socialism and false communism, we must recover Marxism.**

The crisis is advancing and Western imperialism is rearming so as to try to contain and confront its competitors. **The exploited proletariat in the NATO countries must desire the defeat of its own imperialist country** and act accordingly. This is the only internationalist position, **REVOLUTIONARY DEFEATISM:** ***"A revolutionary class cannot but wish for the defeat of its government in a reactionary war*** *(…)* ***Socialists must explain to the masses that they have no other road of salvation except the revolutionary overthrow of "their" governments****."* (Socialism and War, Lenin, 1915).

A part of opportunism would like to make us choose between the USA, the EU, Russia, China, Iran, etc. **We must reject this trap, which is the same as always.** The Western bourgeoisie is not the only one to intervene militarily throughout the world by means of regular troops, mercenaries and hired assassins. The lesson of 1871, when Prussia unleashed the French army to massacre the Paris Commune, is valid today worldwide: **all the armies of the world are confederated against the proletariat.**

Just as **in the heart of every petty bourgeois beats the ambition and greed of big capital**, in the heart of all the anti-imperialist bourgeoisies of yesterday beats the imperialist ambition and greed of their colonialist oppressors of yesterday. This does not lessen the necessary and bourgeois (not proletarian) revolutionary character of the anti-colonial revolutions that had to break, along with the local pre-capitalist obstacles, the straitjacket that tried to sew the previously arrived imperialisms: Spain, England, France and ... USA. But it would be a **supine blindness and a betrayal of Marxism** not to see that the areas that were the scene of this bourgeois anti-colonial struggle are now an integral part of the world market and that the bourgeoisies that dominate in them play a role of their own in the war for the domination of the world market and the sharing out of the exploitation of the world proletariat.

Our position: ***"(…) picture to yourselves a slave-owner who owned 100 slaves warring against a slave-owner who owned 200 slaves for a more "just" distribution of slaves.*** *Clearly, the application of the term "defensive" war, or war "for the defense of the fatherland" in such a case would be historically false, and in practice would be sheer deception of the common people, of philistines, of ignorant people, by the astute slaveowners. (…) It is not the business of Socialists to help the younger and stronger robber to rob the older and overgorged robbers.* ***Socialists must take advantage of the struggle between the robbers to overthrow them all."*** (Socialism and War, Lenin, 1915).

Just as the Holy Alliance tried to stop the bourgeois revolution with an international of absolutism, the capitalist world has founded after the Second World War its Internationals (UN, NATO, Aukus, CSTO, WB, IMF, IDB, etc.), to maintain its order against the uprising of the productive forces and against its future gravedigger, the proletariat.

In spite of the use of the democratic sweet-talk on a vast scale, the military victors of the second world slaughter are the testamentary executors of the social and economic content of fascism: integration of the world networks of capital into organizations that attempt the self-limitation and control of economic contradictions, integration of the trade union movement into the State apparatus to root out even the slightest impulse of immediate struggle, centralized organizations for repression and war. This development of capitalism already foreseen by Marx in *Capital* and explained by Lenin in *Imperialism, the Highest Stage of Capitalism* **not only does not definitively attenuate the economic, political-military and social explosions, but prepares their outbreak with multiplied destructive and repressive potential.**

The macabre game of opportunism consists in making the proletarian class believe that it cannot rise up to fight for its own historic program, that it cannot take a single step without supporting and submitting itself to this or another fraction of the bourgeoisie or petty bourgeoisie, without renting itself out as a pawn to this or another capitalist power against another considered worse.

This is the summary of today's and yesterday's opportunism: locally, always in tow of this or that interclassist social movement or democratic slogan; globally, always rented to this or that capitalist power against another supposedly worse one.

Faced with the development of the capitalist world that we have described, the movement of the proletarian class will only be able to resume its struggle if it understands that it cannot and must not mourn the outdated stage of liberal tolerance, of the sovereign independence of nations, but that history offers only one way to eliminate all exploitations, all tyrannies and oppressions: **the path of revolutionary class action which, in any country whatsoever, aligns the working class against the local bourgeoisie, with complete class autonomy** in political thought, organization and behavior, in combat action; **uniting the forces of the proletarians of the whole world across the frontiers of all countries - in "peace" and in war - in a unitary organism whose action will not stop until the complete annihilation of the institutions of capitalism.**

FOR PROLETARIAN INTERNATIONALISM!

- Rejection of all nationalism: "workers have no country".
- Rejection of solidarity with "our" company business and with the "national" economy.
- Revolutionary defeatism against the bourgeoisie itself in times of commercial or military war.
- Joint and international organization of the proletarians of all languages in the International Communist Party for the communist revolution on a world scale.

DOWN WITH CRIMINAL AND MURDEROUS CAPITALISM!

CHINESE CAPITALISM DOES NOT ESCAPE THE CRISIS OF OVERPRODUCTION

Despite the promises of the People's Bank of China to *"keep financing for the real estate sector stable via channels including bonds and loans"* (Bloomberg, 01-08-2022), the **OVERPRODUCTION CRISIS** in the real estate sector in China that began to manifest itself with the defaults of Evergrande (which is still negotiating the restructuring of its debt) is developing strongly. Since 2020 there have been *"at least 14 defaults by developers"* and, in the first two months of 2022, sales have fallen: *"China Vanke Co, the country's second-largest developer by sales, experienced a 44% decline. (...) Even state-run, China Overseas Land & Investment Ltd, experienced a 48% drop."* (Bloomberg, 08-03-2022). The desperation of Chinese real estate capitalists is of such magnitude that they *"promised to accept stocks of garlic — as well as watermelons, wheat and barley — as down payments from farmers on new apartments. (...) despite home prices falling to record lows."* (Financial Times, 05-07-2022). The affectation of the crisis is not limited to the construction sector and behind construction come the rest of the sectors such as the *"18% drop in steel and cement production."* (El País, 19-09-2022).

In an attempt to reverse the situation, the Chinese State at the service of Capital has deployed the following combination of monetary and direct investment measures in 2022: *"on April 15, 25 basis-point cut in the reserve requirement ratio; (...) on May 20, 35 basis-point cut to minimum mortgage rate; (...) on May 23, 33-point rescue package (…) included: 142 billion yuan in additional value-added tax rebates and 300 billion yuan of railway construction bonds; (...) on June 30, 1.1 trillion yuan policy bank financing for infrastructure; (...) on August 15, 10 basis-point interest rate cut; (...) on August 19, 200 billion yuan special loans for property; (...) on August 24, 300 billion yuan of funds to state policy banks (…) to invest in infrastructure projects, 500 billion yuan of local government special bonds (…) and 200 billion yuan in bonds to be issued by state-owned power generation companies."* (Bloomberg, 26-08-2022). All accompanied by up to $393.3 billion in tax cuts to help businesses. In addition, the heat wave and fires have reduced hydropower production and required power outages in several areas, especially in Sichuan, leading to the temporary closure of factories.

In this context, some capitalists resort to outright robbery, as in a group of state-owned enterprises in Qinghuangdao: *"The group had a total of 300,000 tons of concentrate (...) but there's only 100,000 tons at the depot. (...) That puts the dollar value of the missing material at about $490 million."* (Bloomberg, 04-08-2022); or in Henan, where *"bankers at five local lenders stole money from depositors (...) shaking confidence in the 3,800 banks that are crucial to credit in China's vast, developing countryside. The central bank recently identified almost 300 rural lenders as high-risk institutions."* (Bloomberg, 02-08-2022).

All this is already having an impact on sectors of the petty bourgeoisie and the labor aristocracy, who have organized protests such as the joint threat of non-payment of mortgages to force the resumption of unfinished housing construction and which has reached *"within four weeks, [to] more than 320 projects in 100 cities."* (Bloomberg, 03-08-2022). Protests have also been organized in the face of the corralito imposed by Henan banks affecting *"400,000 customers with a total of 40 billion yuan (5.96 billion euros) deposited", forcing the State intervention to "return, on behalf of several rural banks, the funds of some customers (...)"* (La Vanguardia, 12-07-2022).

The spearhead of bourgeois social control

The measures introduced under the justification of Covid have been the latest twist in the Chinese social control system which, through the use of the highest technologies available, is the envy of all the world's bourgeoisies. For example, the so-called "health codes" (of obligatory use to access means of transport and public places) integrated in mobile applications have been manipulated to block protests. Technologies such as facial recognition or the use of AI to review the content of communications have been perfected for years in Xinjiang, gradually spreading throughout the territory.

Speaking of the technological field, Chinese imperialism has launched an alternative operating system to Microsoft Windows called openKylin, developed by companies linked to the military, and is trying to develop an alternative to the US-controlled internet based on blockchain. However, it continues to lag behind in the production of other technologies, such as tunnel boring machines or civilian aircraft. *"Airbus confirmed Friday the signing of orders with Air China, China Eastern, China Southern and Shenzhen Airlines for a total of 292 A320 family aircrafts, valued at $37 billion."* (Europa Press, 01-07-2022), but it is a matter of time before the Chinese bourgeoisie also takes positions in these areas.

In Hong Kong, virtually all public dissent to integration with China has been eliminated and the 25th anniversary of the recovery of the former British colony has been celebrated with patriotic demonstrations.

The so-called "Covid zero policy" is being maintained despite the fact that some sectors (such as those linked to Premier Li Keqiang) have begun to timidly criticize it for its economic impact and as a manifestation of the internal clash of interests in view of the next congress of the Party (falsely self-described as communist). Social control, prevention against the introduction of a new source of contagion, the latent threat of a border closure if an epidemic is reproduced and preparation for war are the main factors determining this action: the US already tried to enclose China within its borders in 2020 and will try not to fail again if a new occasion arises.

In any case, the drastic lockdowns and the compulsory mass tests have not substantially diminished China's role as the VOLCANO OF PRODUCTION at world level. Among other things because Chinese capitalism has forced the working class in many sectors, at the risk of losing their jobs, to live directly in the production centers: genuine CAPITALIST CONCENTRATION CAMPS of wage labor!

This whole panorama is yet another demonstration of the **falsehood of socialism in China**, with or without "Chinese characteristics": **in China there is CAPITALISM, without further ado.**

"Alternativa al sistema mercantil capitalista"

Documentary (in Spanish)

The process of integration of European imperialism continues to be subject to centrifugal and centripetal forces that increase in intensity as the crisis progresses, retro-feeding or compensating each other depending on the case.

Protectionism and troubled companies

The EU has inflation at 10.8% and rising, northern European ports remain congested, energy prices are skyrocketing, and the drought during the summer months took a heavy toll on river trade flowing on the Rhine, Weser, Elbe, Danube, etc., which *"contributes 1 ton of cargo annually for every EU resident and contributes $80 billion to the region's economy as a means of transport alone."* (Bloomberg, 10-08-2022). The ECB *"claims that 25% of debt funds are in a very vulnerable situation due to the poor credit quality of their assets (...) it expects the level of defaults to rise to 8% this year."* (Expansión, 26-05-2022).

In view of this situation, the European Commission has announced that it will allow "the governments of the member countries to grant up to 400,000 euros to the companies most affected by the war in Ukraine and the rise in energy prices (...) to immediately introduce subsidy schemes of up to 35,000 euros per company in the specific sectors of agriculture, fisheries and aquaculture (...) Member States may grant aid of up to 25 million euros for large energy consumers and up to 50 million euros for companies in specific sectors highly vulnerable to the cost increases seen in recent weeks (aluminum and other metals, glass fibers, pulp, fertilizers or hydrogen and numerous chemical products)". (Expansión, 24-03-2022).

Although still pending approval by the EU parliament, the Commission has announced the Single Market Emergency Instrument (inspired by the US Defense Production Act) to be able to intervene companies in critical sectors and impose the acceptance of orders.

The EU is also processing a regulation that will allow it to veto the purchase of European companies by non-EU companies with state subsidies and to control public sector contributions to companies within the EU with *"fines that could reach 10% of the turnover of the affected company."* (Expansión 17-07-2022).

While seeking to protect their domestic market, several EU states are trying to promote free trade agreements to conquer a larger share of the international market: *"The 15 subscribers point out that while 80% of Japan's trade takes place through free trade agreements (...) the EU exports barely a third in this way. Among the subscribers to the petition are (...) Spain, Germany, Italy, the Netherlands, Portugal, the three Baltic countries, Finland, Sweden, Croatia, Denmark, Slovenia and Malta. France is not there (...) and Brussels does not hesitate to point out that it is the country that is putting the most obstacles to the enforcement, even if only provisionally, of the pacts already signed with Mercosur (Brazil, Argentina, Uruguay and Paraguay) or the updating of those reached with Mexico and Chile."* (El País, 22-06-2022).

The petty bourgeoisie is also feeling the consequences of the situation. One example is the protests in the Netherlands by part of the small and medium agricultural bourgeoisie against the Dutch government's decision to comply with a 2019 CJEU ruling, which entails reducing the total number of cattle by 30% through incentives or expropriations: *"Roads blocked, piles of straw burned next to freeways, supermarkets out of stock, tons of manure scattered, police responding to tractor drivers' protests with gunfire... "What is happening here will happen in a few years in other countries in Europe and the world," warns Jos Ubels, president of Farmers Defence Force, one of the organizations that has mobilized the Dutch countryside the most. Farmers in Germany and Poland showed their solidarity with them last week and blocked roads."* (La Vanguardia, 12-07-2022).

Big tech

The EU remains unable to produce an alternative to the big, usually American, platforms. In the continuation of its attempt to subdue them, the Digital Services Act has been passed which will allow content removal to be mandated and technology companies to have to provide the algorithms they implement. The law affects companies with *"at least 45 million active end users or 10,000 active professional users that year. Google, Amazon, Facebook, Apple, Microsoft all meet these requirements (...) also the accommodation site Booking.com and the e-commerce group Alibaba."* (Expansión, 20-08-2022)

In the same regard, the EUGC confirmed the fine of €4,125 million imposed on Google (although it can still be appealed before the CJEU). Since 2017 the EU has imposed a total of more than $8 billion in fines on Google.

Pending approval by the EU is the Digital Markets Act with which it will force the messaging applications of the main companies to be interoperable with the rest, and a single charger (USB-C) for a total of fourteen electronic devices has been imposed as of 2024.

Risk premiums under stress

With the end of the extension of the asset purchase program, the bond yields of the various European states have risen. This means an increase in the financing costs of EU states and the spread over the German bond yield (the "risk premium") started to increase for Italian, Spanish, etc. debt.

The European bourgeoisie increasingly feels the need to eliminate this Achilles heel and give free play to the joint issue of debt through Eurobonds. The EU issued 215 billion euros linked to the programs against unemployment (SURE) and the plan for the restructuring of the economy (NGEU), but: *"The ECB is asking for liquidity to strengthen the Eurobonds (...) the lack of a safe asset at the community level is one of the great differences with respect to the US market, where the treasury is the undisputed king. (...) its continued issuance would also "reduce the gap in a market that is currently small and fragmented"."* (Expansión, 12-09-2022).

Tensions over Russian oil and gas

The varying degrees of interconnection and dependence between the EU states and Russia are reflected in clashes between them.

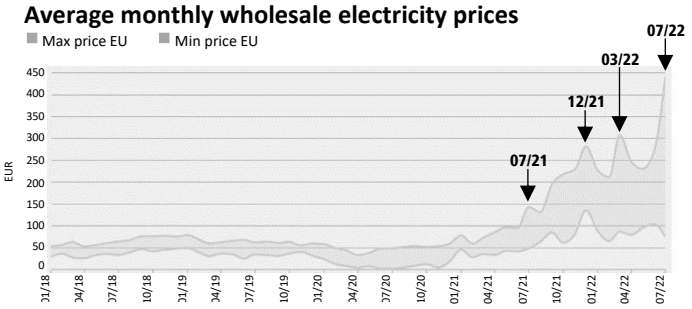
The EU had to juggle in order to be able to ban the import of Russian oil, but still allow Hungary to buy it: Russian oil arriving by sea was banned, but not oil arriving by land. But Hungary is not the only state with which there has been friction. For example, regarding the proposal to cap Russian gas, *"Austria is the country that has most clearly shown its rejection, but it is not the only one that harbors reticence. Countries such as Germany and the Czech Republic have not hidden their doubts about the idea of establishing a ceiling on the price of Russian gas."* (Expansión, 09-09-2022).

The process of disconnecting from Russian gas had already begun in several countries, even though the connection via Nord Stream 2 had been completed. Poland had particularly advanced this disconnection: *"Warsaw already announced in 2019 its*

intention not to extend the contract it had with the Russian giant Gazprom beyond 2022. Between now and the end of the year, it will be able to receive Norwegian gas through the Baltic Pipe project, a new undersea pipeline that will connect Norway with Poland." (Expansión, 28-04-2022). This is one of the reasons why Russian imperialism was pushed to act militarily before its gas pressure capacity had been reduced too much.

There are several countries, besides the US, aspiring to fill the business gap left by Russia: from Venezuela to Qatar, Israel, Azerbaijan, Colombia and Peru, have reached agreements or increased production and export of oil, gas and coal.

Electricity prices in Europe started to rise in 2021, reaching a first peak in July 2021 and continued to rise until reaching a second peak in December 2021. After a dip a peak occurred again in March 2022 and after another dip they have shot up in June-July 2022, in view of the imminent Russian gas shutdown.



Source: Ember (02-09-2020)

In September, Russia definitively cut off gas to Europe, which sent gas prices soaring by 30%. Then the price dropped by 40% following the European Commission's announcement of a plan to intervene in the price of energy at €180 per megawatt: *"member states will collect 117 billion annually through the temporary cap on electricity producers. Another 25 billion would come from the tax on fossil fuel companies."* (Expansión, 15-09-2022).

Attempting to secure supplies, Germany has taken control of Rosneft's three oil refineries as it had previously done with Gazprom's subsidiary in Germany.

Approximation between Spanish imperialism and the USA. Impact on Morocco-Sahara-Algeria

The Spanish state has recognized Moroccan sovereignty over Western Sahara, as the US had previously done, aligning itself politically. This is a reflex of an alignment at the economic level of several pieces.

The interests of the Spanish state in Western Sahara and Morocco are not new. In addition to the strategic position of Western Sahara, it has important resources: *"The most important are the phosphate deposits, although there are also gold mines."* (Expansión, 22-03-2022). Phosphates are necessary for the manufacture of fertilizers and their synthesis cannot be done in a laboratory: *"Morocco has 70% of the world's reserves, while those of China, the United States and Russia are running out (...) Those of Bucraa could represent 1% of the total".* (Expansión, 22-03-2022). Morocco inaugurated in 2021 the port of Dakhla, which *"has an industrial and logistics area of more than 1,600 square meters. (...) Now, it is expanding that of Laayoune, where "it will install a fertilizer factory."* (Expansión, 22-03-2022).

Also in the fishing they have compatible interests: *"The current fishing agreement between the EU and Rabat came into force in July 2019 for a period of four years and allows 128 licenses for European vessels, including 92 Spanish ones. Morocco will enter in total more than 208.7 million euros, and this year the fee amounts to 55.1 million."* (Expansión, 22-03-2022).

Let's remember that the US recognition had as a condition the diplomatic recognition of Israel by Morocco; let's see how it has materialized: *"last autumn, a subsidiary of the Israeli group Ratio Petroleum closed an agreement with Morocco to prospect for oil and gas. The firm, in addition, will have 100% of the exploration rights for both hydrocarbons in an area of 109,000 square kilometers."* (Expansión, 22-03-2022).

Finally, it has also been agreed with Morocco that *"it will receive 500 million from the EU to control its borders".* (El País, 15-08-2022). That is to say, that it will continue to carry out its role of murderous bully as delegate of Spanish and European capitalism against immigrants who are pushed towards the fences by material pressures, in spontaneous or orchestrated attempts.

What has been the piece that has allowed all the other pieces of the puzzle to fit together? The massive entry of LNG from the US into the Spanish State and the role that Spanish imperialism hopes to play on the basis of its infrastructure of reception, storage, regasification and distribution of LNG. Already in July 2020 there was a displacement of Algerian gas by US LNG (see "The Internationalist Proletarian" nº5, p. 12). This displacement motivated Algeria to retaliate against the Spanish State, cutting off gas to Morocco, which inherently means cutting off one of the gas inflows to the Iberian Peninsula.

Currently, Spain receives more gas through its LNG terminals than it needs and has become a gas exporter. This gas is exported through the existing pipelines. This includes the pipeline that until recently pumped gas from Algeria to Spain via Morocco, but now does so in the opposite direction, exporting gas to Morocco. To these, they want to add the Midcat to reach Germany as well as the Spain-Italy pipeline. In fact, Spain has become the main buyer of Russian LNG worldwide. The Russian origin of part of the gas explains why the EU has – for the time being – not financed the gas connection between the Iberian Peninsula and Germany (Midcat). The world's second largest buyer of Russian LNG is France, which is the partner/competitor blocking the construction of Midcat.

The Spanish state has also become a "hub" through its terminals. Without any re-gasification of LNG, LNG carriers unload their cargoes, which are then loaded by other LNG carriers to their final destination.

As can be seen, economy and business rule under capitalism and the government of false socialists and false communists of the PSOE and Unidas Podemos (of which the PCE is part), have drawn a veil over all their previous declarations of solidarity with the Saharawis in favor of PROFIT. Nor have they had any qualms in applauding or hypocritically looking the other way in the face of the increasingly crude repression against the immigrants trying to cross the fences at the border, which led to the MURDER at the hands of the forces of bourgeois order of more than 30 immigrants in June.

Russophile trends in Germany

In Europe and specially in Germany, there are a number of bourgeois tendencies that have been tending towards a strategic partnership with Russia for decades.

An obvious element of this tendency is the Chancellor of Germany between 1998 and 2005, Gerhard Schröder, a member of the German Social Democratic Party, who was even chairman of the board of directors of Rosneft and of the shareholders' meeting of Nord Stream AG. To force him out of these positions,

the German state withdrew his perks as former chancellor in May, resulting in his stepping down from the Rosneft board, although he remains chairman of the shareholders' committee of Nord Stream AG.

The current Federal President of Germany is persona *non grata* in Ukraine: *"Volodymir Zelenski rejects his presence. Steinmeier, of social democratic affiliation, cultivated a pro-Russian policy in his time as foreign minister (...)."* (La Vanguardia, 13-04-2022).

Also Angela Merkel, Germany's chancellor from 2005 until November 2021 and a member of the Christian Democrat party, has had a general position of rapprochement towards Russia and *"played an active role in denying Ukraine the status of a candidate country to join NATO at the Bucharest summit in 2008 (...) "I don't see why I should tell myself that it was a mistake and for that I will not apologize," she told Osang, an East German like herself. "In retrospect, I'm glad I don't have to blame myself for not trying to prevent an event like this. On the contrary, fortunately I have tried hard enough together with successive French presidents and this gives me a certain peace of mind," she assured."* (El País, 12-06-2022).

This tendency towards a strategic alliance with Russia has been suddenly bent and retracted by the development of events and the military irruption of the Russian BULLY in its own backyard. But that it has been bent does not mean by any means that it will simply disappear, since it is a reflex of a whole series of economic and geostrategic interrelationships within the Eurasian continent and pushing German capitalism in that direction. These are not the only forces and relationships at work, but they are structural forces and relationships that are unlikely to cease to operate. This current is also a reflex of the lack of economic perspective that it means for a number of sectors to place themselves in the shadow of U.S. imperialism.

Finally, it is no secret that the Alternative for Germany party receives political and economic support from Russia. Its spokesman *"called this week in the Bundestag for the normalization of relations with Russia and the opening of Nord Stream 2"* (El País, 12-09-2022).

Hungary and Poland

The role of internal blockade of European imperialism played by Hungary and Poland deserves special mention.

We have already seen that Hungary did not accept the veto on Russian oil and the Hungarian bourgeoisie has also refused to allow the shipment of arms through its territory to Ukraine. The official statements of the ruling fraction of the Hungarian bourgeoisie are contrary to the European Commission and the present Ukrainian government: *"The list of rival forces as recited by Orbán is: "The left at home, the international left, the Brussels bureaucrats, the Soros empire (tycoon whom he accuses of interfering in Hungary) with all its money, the international media and, in the end, even the Ukrainian president (...) who last week accused him of "being practically the only one in Europe who openly supports Putin" "*. (La Vanguardia, 05-04-2022).

The European Commission has begun to apply the economic blackmail machine to bring the rebel back into the fold and *"announced yesterday that, for the first time, it will activate the process that should allow the freezing of European funds (...) agricultural aid, cohesion funds or even the recovery fund, more than 20 billion euros. (...) For this reason the Commission has another procedure open, that of Article 7 of the Treaty, which could ultimately leave the Hungarian government without a vote in the decisions of the Council. But in the latter case, unanimity is necessary, and so far Budapest has always had the support of partners such as Poland."* (La Vanguardia, 06-04-2022).

As with all other centrifugal tendencies, this situation generates the opposite momentum and the EU is considering ending unanimity voting to avoid blockages by EU member states: *"Macron, Von der Leyen and the president of the European Parliament, (...) spoke out in favor of a treaty change and majority voting to allow the EU to act more quickly."* (Financial Times, 11-05-2022).

Additionally, *"Hungary has now blocked the EU project to impose a 15% minimum tax on large multinationals, in line with the pact reached last summer at the OECD. (...) Hungary thus takes over from Poland."* (Expansión, 18-06-2022).

Hungary also tried to block the financing by European imperialism of the bourgeois and dependent Palestinian Authority, to which the EU *"each year injects some 600 million euros."* (La Vanguardia, 15-06-2022).

Despite acting in a similar sense in regards to the internal blockade of European imperialism, if Hungary tends to link itself with Russia, Poland does so with the USA: *"That a president of the United States visits Poland is not extraordinary. George W. Bush and Barack Obama, for example, did it three times during their terms in office. (...) Poland hosts around 10,000 of the 100,000 military personnel that Washington keeps deployed in Europe."* (El País, 26-03-2022). Poland had, in fact, already prepared to cut its dependence on Russian gas and, for the time being, *"has received more than 3.6 million"* (El País, 02-06-2022) Ukrainian refugees.

And if it seemed that the recovery funds for Poland had been unblocked, simultaneously to the lifting of its veto on the tax for multinationals, the reality a month later is that: *"the European Commission maintains blocked 15.5 billion euros allocated to Hungary and 36 billion corresponding to Poland".* (La Vanguardia, 14-07-2022).

In response, Kaczynski made the following statement: *"They (the powerful in the EU) intend to bend us and subjugate us to the power of Germany. We cannot go back any further. We do not fit in the plans of Germany and Russia to dominate Europe. An independent Poland, economically, socially and militarily strong, is an obstacle for them."* (La Vanguardia, 11-08-2022) while the head of the government called to *"fight the two imperialisms"* (Russian and European). And the rancid ruling fraction of the bourgeoisie in Poland is not without reason in denouncing as "imperialists" both Russia and the EU, but they have forgotten along the way to mention themselves and the USA, among many others.

The secretary of the Law and Justice party (PiS), currently in power, threatened: *"We will try to use all the possibilities contemplated in the treaties, and these include the right of veto, which can be used strictly or more broadly. (...) Therefore, we will apply the tactic of a tooth for a tooth"*. (Expansion, 09-08-2022). And within a month it was institutionally declared that *"Poland demands 1.3 trillion from Germany for WWII damages."* (El País, 02-09-2022).

All these fusses are evidence of Poland's economic dependence on the funds blocked by the European Commission and, therefore, are a demonstration of weakness. But this does not mean that rupture or even expulsion is not possible.

Candidates and the reconstruction business

The EU has granted "candidate" status to Ukraine and Moldova, after a few detours and after France proposed a "European political community" as a substitute. This has led to

tensions in other states that have been on the list for years: Turkey has been a candidate since 1999 (in 2019 the European Parliament suspended the candidacy); Montenegro, since 2010; Serbia, since 2012; Albania, since 2014; and North Macedonia has been a candidate since 2005. *"Albania, North Macedonia and Serbia showed their anger at an accession process whose spirit they consider "murky" (...). They complained against a "divided" EU that still treats them as "guests" "* (El País, 24-06-2022).

An important stimulus for the maintenance of EU cohesion is the prospect of the reconstruction business of the new Ukrainian "candidate", which has been quantified for the moment at *"750 billion dollars"* (La Vanguardia, 05-07-2022). The European bourgeoisie plans to *"confiscate 300 billion from Russia" to "pay for a good part of the reconstruction."* (Expansion, 10-05-2022).

Conflict with UK over the border in Ireland

The conflict with the UK over the border arrangements in Northern Ireland continues. The EU has initiated "legal action" on the matter, but it will not be a question of "law" that will determine the end of this struggle but the internal economic interdependence of the island and with the EU, as well as the relations with the rest of imperialism.

For the moment, the trend is not exactly favorable to the British bourgeoisie. In May, Sinn Féin won the autonomous elections in Northern Ireland and the US *"has reminded London that the US Congress will not give the green light to any trade agreement if a "hard border" is re-established in Northern Ireland"* (Expansion, 21-05-2022).

On the other hand, the EU (through the ECHR) blocked in June the first deportation of 130 immigrants from the UK to Rwanda by plane. This criminal action of the British bourgeoisie (which the Danish bourgeoisie also wants to carry out) has not been stopped by "humanitarian" questions but by the struggle between competing imperialists who use whatever weapons they have at hand.

Supply of the commodity labor force

With regard to the supply of the commodity labor force, European exploiters, especially in France, Belgium, Germany, Hungary, Holland and Ireland, *"are already having problems finding workers in 28 activities employing 27 million workers. This situation is exacerbated in 19 of these activities, which correspond to plumbers, bricklayers, carpenters, truck drivers, mechanics, electromechanics, computer and web application programmers, civil engineers, nurses, health assistants or medical specialists."* (El País, 27-04-2022). On the other hand, "*the job offers that* [the Spanish bourgeoisie] *was not able to cover in 2021 were close to 110,000 vacant figures that the INE raised to 134,000 in the first half of this year, (...) in a country that almost agglutinates one out of every four unemployed in the EU."* (Expansión, 21-06-2022).

Throughout the summer airports have been collapsed and thousands of flights have had to be cancelled, due to lack of manpower and the stoppages and conflicts that have occurred. A Spanish subsidized trade unionist from the trade union services company UGT, explains *"in ground services thousands of people have been laid off in countries such as Germany, the Netherlands or the United Kingdom; in Spain ERTEs* [contract suspensions or furloughs] *were applied and the recovery of workers has been less costly than in these countries."* (La Vanguardia, 10-07-2022). This is the function of integrated and subsidized unionism, and, in particular, of the ERTEs: to guarantee that the bourgeoisie has no problem of supplying the commodity labor force for its capitalist exploitation, that it can park it and recover it without problems.

As a step towards the homogenization of the labor market in the EU, the European Commission is pushing for a directive establishing the rules for the fixing of the minimum interprofessional wage in the member states, the updating of the lowest wages and the deepening of the participation of integrated trade unionism in order to tie the working class tightly in this straitjacket.

To ensure the supply of exploitation flesh, the EU is speeding up international recruitment to fill vacancies and, in parallel, has reached an agreement whereby the various states commit themselves to a mechanism for the distribution of immigrants that can be validated by the payment of an amount to the states that take on more immigrants. At the same time, they have agreed on *"stricter rules on border control (...) biometric data regulation (Eurodac) and prior control at the external border."* (La Vanguardia, 11-06-2022) to control mass immigration: 155,090 immigrants had entered the EU by July 2022, 86% more than in the same period of 2021 and the highest volume in six years.

EU's military weakness and its militaristic cravings

The EU High Representative for Foreign Affairs and Security, the Spanish social democrat Josep Borrell has gone from the ambiguous and deceitful "NATO, to start with, no" (meaning "not now, maybe later") of 1982 to the following openly militaristic statements: *"Trade is not enough, the rule of law is not enough, it is not enough to be a good civilian power,* ***we must also be a military power*** *(...) the army, the defense capabilities, are the core of national sovereignty."* (El País, 01-06-2022).

In spite of these thinly disguised militaristic and imperialistic anxieties, European imperialism is quite behind in relation to the rest of its competitors: *"from 1999 to 2021 defense spending among all EU countries has barely increased by 20%; compared to 66% for the US; 292% for Russia and 592% for China."* (La Vanguardia, 19-05-2022). The same European Commission has had to admit that *"the delivery of arms to Ukraine has decimated the stocks of the countries, which shows that the twenty-seven are not prepared to defend themselves."* (La Vanguardia, 19-05-2022).

In addition to the more or less synchronized shipment of arms to Ukraine, military aid to Moldova will be increased, Denmark will be integrated into the military structures of the EU and the European Commission *"proposed a fund of 500 million euros for the joint purchase of armaments"* (La Vanguardia, 19-05-2022). This amount is at the same time significant and very small. Significant because of the trend towards militaristic integration and very small because of its absolute and relative value.

Even in its own backyard, the EU finds it difficult to compete: of the 2.2 billion in military aid that the US has announced *"half will go to Kiev and the rest will be divided among Albania, Bosnia, Bulgaria, Croatia, Czech Republic, Estonia, Georgia, Greece, Kosovo, Latvia, Lithuania, Moldova, Montenegro, North Macedonia, Poland, Romania, Slovakia and Slovenia (...) the aid consists of grants and loans that will allow these countries to buy weapons and defense equipment manufactured in the US"* (El País, 09-09-2022).

Meanwhile, steps continue to be taken towards European police integration and the extension of police prerogatives (supposedly limited to "online crisis situations"): *"The reform of the European Union's police agency allows it to request all kinds*

of information on people without any relation to the commission of a crime. (...) Another of the novelties introduced by the reform is that Europol will be able to use all this data to train artificial intelligence algorithms that allow the development of tools to fight crime". (El País, 27-05-2022).

For the resumption of class struggle

On August 25th, 2022, the President of France (E. Macron) declared the "end of abundance", calling for "efforts" and "sacrifices" since *"it will be necessary to pay the necessary price to ensure our freedom"*. The militarist Josep Borrell had spoken along the same lines, saying that *"citizens must be willing to pay a price to maintain support for Ukraine and for the unity of the EU. We are in the middle of a war: these things are not free".*

Their plan is clear: for the proletariat to tighten its belt even more and serve as CANNON FODDER at the front and EXPLOITATION FODDER in the rear to ensure the freedom of exploitation and accumulation of French and European capitalist imperialism. The present EU is nothing other than a bloc for the imperialist struggle for the division of the world and against the proletarian revolution: *"Of course, temporary agreements between the capitalists and between the powers are possible. In this sense the United States of Europe is also possible, as an agreement of the European capitalists... on what? Only on the means of jointly crushing socialism in Europe, of defending together the stolen colonies (...)"* (Lenin, On the Slogan of the United States of Europe, 1915).

The proletariat of any of the European states cannot have ANY NATIONAL SOLIDARITY WITH THEIR OWN BOURGEOISIE, but must push and organize within each country and the EU in general the struggle to overthrow their "own" bourgeoisie.

CRACKS AND FRACTURES WITHIN THE USA

Situation of the working class

The situation inside the US continues to deteriorate: more than 20 million families cannot pay their electricity bill, average life expectancy has fallen by more than a year to 76.1 years, rents have skyrocketed and evictions have increased, inflation rages on the most basic products, baby formula has disappeared for several months, the epidemic of opioid addiction (fentanyl) continues, debts for studies of sectors of the working aristocracy and the petty bourgeoisie accumulate without being able to be paid, etc.

To try to control the situation, the U.S. government is trying a series of measures of containment and social control. As a cosmetic measure, we find the tax on the 700 richest families, which is used as propaganda, but nothing more. Then we have the government spending plan, to which the Democrat senator who was blocking it has finally submitted, and which is called now the "Inflation Reduction Act". The *"student debt relief that forgives up to $20,000 in loans" per student"* (Bloomberg, 24-08-2022) has also been approved. A measure aimed at the sectors of the petty bourgeoisie and the working aristocracy who thought their children were going to have a meteoric career and whose illusions have been frustrated by crashing into material reality. The American bourgeoisie applies what Marx already explained in the Critique of the Gotha Program (1875): *"defraying the cost of education of the upper classes from the general tax receipts"*. Among the deepest ones, we have the promotion of the straitjacket of subsidized unionism that we already analyzed in *"The US tries a reedition of the New Deal"* (The Internationalist Proletarian, No. 7, p. 19), for example, with the constitution of a union in Amazon, supported and applauded by the bourgeois capitalist government of the USA. The most intelligent part of the American bourgeoisie knows perfectly well that it needs the corset of subsidized unionism to restrain any hint of struggle and vindication of the workers and, above all, their development in a revolutionary sense.

"The organizational inefficiency of the ultra-reformist and ultra-realist unions became a danger for the bourgeois regime: ***their recognition and the appearance of a philo-labor legislation were indispensable conditions for the reestablishment of internal social peace****, and, thus of the economic recovery itself. It was necessary (as the anti-crisis measures were being developed and were having their effect), to prepare the fold into which the disciplined, fluctuating masses, continually thrown by the crisis into the arena of social conflict, could be led. Nor could the fold be the old A.F.L. (...).*

The old wolf has not changed his fur: John Lewis takes the initiative of the creation of the C.I.O. ***only to prevent the formation of an autonomous and "red" trade union center****.* (The New Deal, or state interventionism in defense of big capital, Prometeo No. 3-4, 1952).

This type of unionism promoted by the State cannot be used to defend the working class but to control it. **Organizations of immediate struggle** founded on broad parameters of membership, but with uncompromising class character and rejection of corporatism, outside and against integrated unionism, must be reborn, and **it is the function of the International Communist Party to encourage and help them to be born, in the U.S. and around the world**.

"The party ***never adopts the method of forming partial economic organizations comprising only workers who accept the principles and leadership of the communist party****. But the party recognizes without reservation that not only the situation preceding the insurrectionary struggle, but also every phase of marked increase of the influence of the party among the masses, cannot be delineated without the extension between the party and the class of a stratum of organizations with immediate economic objectives and with high numerical participation, within which there is a network emanating from the party (nuclei, groups and communist worker union fraction).* ***It is the task of the party, in unfavorable periods and periods of passivity of the proletarian class, to foresee the forms and encourage the appearance of organizations with economic objectives for the immediate struggle****, which may even assume totally new aspects in the future, after the well-known types of corporation, industrial union, company council, etc.* ***The party always encourages those forms of organization which facilitate contact and common action among workers of various localities and of different professions, rejecting closed forms.****"* (Characteristic Thesis, 1951).

Immigration

Murderer capitalism continues to claim lives in its provisioning of illegal labor force merchandise attempting to cross the U.S. border from Mexico: 50 immigrant workers died of suffocation and heat in a truck in Texas on July 28, 2022. The police arrested three perpetrators, but, no matter how much they may be blamed, these murders will continue to be repeated because it is the CAPITALIST SYSTEM and not some isolated

individual that inevitably produces and reproduces it. Thus, the blame is assigned to the individual and the real culprit - the capitalist system - gets off scot-free from its atrocities.

The material reason for this flow is the need of the working class to emigrate in order to find a buyer for their labor force and to be able to send a contribution to their families. The wage mass of the 38 million Mexicans in the US is already equivalent to 55 percent of Mexico's GDP, which sent as remittances to Mexico 15.3 percent of their wages, reaching in 2021 *"a record annual figure of more than 51 billion dollars."* (El País, 15-06-2022).

The Summit of the Americas has been the scene of a tug-of-war between the US and several Latin American countries, led by Mexico. The President of Mexico refused to participate (sending instead the Minister of Foreign Affairs) because of the exclusion of Cuba, Venezuela and Nicaragua, which was supported by *"the Chilean Gabriel Boric, who will go, or the Honduran Xiomara Castro, who finally will not. But it was above all Argentina's Alberto Fernández, Mexico's ally in several political and diplomatic fronts, who made this approach his own (...) until he finally agreed with López Obrador to go and speak on behalf of the Community of Latin American and Caribbean States, an organization that critics of the Organization of American States want to give greater prominence."* (El País, 07-06-2022).

The outcome of the Summit was a promise by the US to make new investments in exchange for curbing irregular immigration.

In the interior of the U.S., the use of immigration as a throwing weapon has been ratcheted up once again. Texas, Arizona and Florida have begun to charter free buses to send several thousand immigrants intercepted in their states to northern cities such as Washington, New York or Chicago.

Situation of the companies

The corporate situation is not much better. Corporate debt junk bonds (of companies) have grown from $14 billion at year-end to $27 billion and more than 8% of bonds exceed the 10% yield (meaning this is the price these companies are having to pay to finance themselves): *"(...) the amount of debt that trades at distressed levels doubling since the start of the year. The value of junk bonds trading for 70 cents on the dollar or less, considered a sign of distress and a warning that a company may struggle to repay debts, has climbed to $27bn from about $14bn at the end of 2021. (...) More than 8% of the US high-yield bond market is now above this* [10%] *level. (...) There are not many companies that can finance at north at 10% for a sustained period of time."* (Financial Times, 03-05-2022).

Boeing is back to a loss through June and the profits of US companies with overseas business are being hit by the appreciation of the dollar. US companies have also had to spend more due to the prolonged supply bottleneck.

In the article *"The struggle of competition on the global board"* (page 17 of this issue), the immediate results of the protectionist development bets on semiconductors and the electric car can be seen.

The crisis is generating internal contradictions within companies which is manifested in the growing opposition to executive pay at annual shareholder meetings: *"In the year to May 15, only 61 per cent of S&P 500 companies that held annual meetings received more than 90 per cent support for executive pay, down from 71 per cent last year and 76 per cent in 2020, according to pay consultancy Farient Advisors. At the same time, the number of companies receiving just 50 to 90 per cent shareholder support for pay has risen to 36 per cent from 25 per cent last year."* (Financial Times, 05-06-2022).

To top it off, the Secretary of the Treasury, Janet Yellen, stated last December 9, 2021: *"(...) right now, the best place to hide and launder ill-gotten gains is actually the United States."* (US Dept of Treasury, 09-12-2021).

The fracture between currents of the bourgeoisie

In this context the division between large sectors of the big bourgeoisie and the small and medium bourgeoisie is deepening. The basic discussion is which sectors will have to be sacrificed to try to overcome the crisis.

The problem faced by the ruling fraction of the bourgeoisie is that broad sectors of the petty bourgeoisie and even of the working aristocracy, on whom they need to unload the crisis, are armed: *"It is calculated that in the US there are around 400 million weapons (...) the manufacturers manufactured 11.3 million in 2020, 187% more in relation to the 3.9 million in 2000 (...) it is also noted that the police recovered 19,344 homemade weapons".* (La Vanguardia, 19-05-2022).

The speech of Trump's faction at the America First Agenda Summit is aimed at that sector: *"Our country is going to hell quickly (...) cities that, ruled by the Democrats, have become war zones, (...) in which Satanists who prey on children are released on bail (...) give back to the police their authority, their resources, their power and their prestige."* (El País, 27-07-2022).

The delirious and reactionary rhetoric of these sectors is a reflection of the fact that they effectively perceive that they are being set aside as a social class and see themselves subjectively identified as the sector on which the crisis will be concentrated: *"The petty bourgeoisie (...) is a condemned class. And suddenly it is also condemned to not being able to understand anything, it has been unable to fight: it can only blindly debate in the prey that crushes it.* ***Racism is not an aberration of the spirit: it is and will be the petty bourgeois reaction to the pressure of big capital. The choice of the "race", that is to say, of the group on which to try to concentrate the destruction, obviously depends on the circumstances."*** (Auschwitz or the great alibi, 1960).

Supreme Court rulings

A reflection of this fracture is the series of rulings issued by the Supreme Court, the substance of which is to discuss who can make decisions, the federal government or each state. In other words, **the very existence of the United States as a centralized state is being discussed**.

In the Ruling that prohibits the central State to legislate on the issue of abortion, the production of labor and cannon fodder for war is also discussed. After the Ruling the puppet Biden signed a decree to protect access to contraceptive drugs, but his whole focus is on trying to make electoral gain from the issue, promising to make a new Law that would leave the Ruling without effect. The Communists' position on abortion is published in the article *"Against Interclassism on the Women's Question (I)"* (El Comunista no. 55, page 36): *"Just as above we have denounced that one cannot pretend to "emancipate woman" from her commodity character without abolishing the general commodity character of all workers and eliminating the capitalist mercantile character of the present relations of production, we have to affirm taxatively that, in these conditions of slavery, it is an* ***inescapable duty for all members of the working class of both sexes to fight to prevent the class of modern slaveholders from having the slightest possibility of interfering in the decision of the women of our class to become pregnant or to have an abortion at any given moment****."*

In the Ruling on the question of bearing arms, it goes so far as to allow guns to be carried in New York without the need to show cause for carrying a gun, a requirement in force since 1913. So much for the abyss separating the two fractions of the bourgeoisie and leading to the decision of one of them to allow the working class to carry arms in the fiefdom of the second. It should be noted that, in New York, *"in 2020 there were 1,530 shootings (...) more than double the previous year; in 2021, there were 1,877, the highest figure in decades. (...) the unemployment rate in New York was in December* [2021] *8.8% (...) with unemployment of 15% among workers who have not gone to college and among African Americans, and 24% among young people aged 18 to 24."* (El País, 03-02-2022). Not only does the fraction of the small and medium bourgeoisie resist disarming, but it is even willing to favor that the working class can have access to bear arms in order to harm the sector of the bourgeoisie that wants to disarm them.

On another level, the Supreme Court also ruled against the federal government regulating "climate factors".

Platforms and media

Another component of the extended parliamentary circus has been the whole ceremony of Elon Musk's mock purchase of Twitter. The purchase issue is now pending in the courts, but clearly the buffoon Musk was seeking to discredit Twitter for the number of fake profiles (bots) and to denounce the platform's veto of the buffoon Trump.

The fraction of the bourgeoisie currently in power has invested a lot of money and energies to try to silence the other current of the bourgeoisie. However, they nervously observes their failure to impose the exclusivity of their disinformation. As an example, they have not been able to prevent the dissemination of a website that they thought was even closed: *"820,000 likes and shares on Facebook and 66,000 on Twitter (largely before the platform limited its links). That in turn has helped the main website pull in around 1.5 million monthly page views (...) But the real power behind Resist the Mainstream comes from the alternative-tech platforms, where its profiles have a combined follower count of more than 1 million."* (Bloomberg, 12-09-2022).

For his part, the buffoon Trump declared that the puppet Putin was "smart" and a "genius" right after Russia's entry of troops into Ukraine and, when questioned by the media, declared, *""Yes, he is smart (...) The problem is not that Putin is smart, which of course he is, but the real problem is that our leaders are dumb.""* (Bloomberg, 02-27-2022).

We don't care how many points each of these "world leaders" has accumulated in the "Fools of History" contest (see the beginning of the article *"The struggle of competition on the global board"* in this issue). But what becomes clear in these demonstrations is that the sector of the bourgeoisie in favor of ceding ground at the international level and shutting itself up at home (boarding up doors and windows to keep everyone else out) was also in favor of an agreement with Russia.

They dream of a return to the division of the world and of Europe as they did at Yalta and Potsdam, without realizing that this division was based on US hegemony in military and economic power which it no longer has. This return to the past is a wish and nothing more, but it sublimates the lack of perspectives in which this whole sector and, in fact, the whole of US capitalism finds itself.

The internal confrontation is also manifested on television. Fox justifies within the US the Russian military intervention by saying that there were chemical weapons laboratories in Ukraine and accuses the rest of the media of misinformation. From the rest of the media, there is an open request for police intervention on the Fox presenters: *""There is a case for arresting them militarily", proposed the NBC former presenter (...) "They used to arrest people for doing things like that", said the (...) co-presenter of the ABC program."* (La Vanguardia, 12-04-2022).

Closer and closer to civil war

In August 2020 we wrote: *"If the US does not succeed in unloading the crisis in other parts of the world and triggering the third world war, the development of these internal clashes can lead to the break out of the civil war inside the country or that one day the US wakes up with the most basic infrastructures totally inoperant. The American bourgeoisie finds itself in a very complicated historical impasse, from which it cannot get out victoriously. But this is not going to prevent it to fight – and if necessary – to die killing."* (The Internationalist Proletarian no. 5, page 19).

Since then, the greatest attempt in a long time to unleash global military conflict and the deepening of the social fracture within the U.S. owning classes has unfolded simultaneously.

The fracture extends within the Republican Party, with Liz Cheney accusing Trump of summoning the "insurrectionists" who entered the Capitol in December 2020. But the Democratic Party is not a completely homogeneous bloc either, as evidenced by the blocking by a Democratic senator of the approval of the entire investment plan and also by the voices that have expressed doubts about the raid on the house of the Trump puppet in search of secret documents. In doing so, the US joins the global trend of trying to prosecute the previous president. Those who speak this way do not sympathize with Trump, but are afraid that Trump or his successors will win the next election and take revenge by the same means.

We saw the carnivalesque attempt to storm the Capitol, the warning signed by all the previous Secretaries of State addressed to the army warning it to refrain from intervening and recalling that the only interrupted transfer between governments coincides with the Civil War, the instructions of the military High Command not to obey the orders of the outgoing president, the statements of a general pardoned by Trump stating to applause that in the US there should be a coup d'état like in Burma, etc.

More recently, we have seen the raid on Trump's home and the rise of hashtags and statements on the networks such as: #CivilWar, #CivilWar2, #NationalDivorce, "tomorrow it can be you", "they're coming after you", etc. echoing statements from a significant number of Republican Party leaders.

Immediately after the raid on Trump's home, a man armed with a semi-automatic rifle attempted to enter FBI headquarters in Cincinnati, Ohio, and was shot and killed after the ensuing chase. A few weeks later, *"Republican Senator Lindsey O. Graham said there would be 'riots in the street' if Trump is prosecuted"* (The Washington Post, 08-29-2022). The raid has been followed by threats against the judge who signed the search warrant and against the FBI.

The bet of the ruling part of the U.S. bourgeoisie is risky, it is about trying to prevent Trump from running again. And the reality is that, if he runs and wins, his current may go so far as to try to dismantle the former first world power. But, even if the puppet in question does not win or is put individually out of the game, **this will not eliminate the social mass the puppet represents and the conflict will develop anyway.**

The latest bluster of the buffoon Trump was to claim on 29-08-2022 that he should be made president or that elections should be held immediately, on his Truth Social account.

This is a declamation in a vacuum, but, behind the bluster of the histrionic buffoon there is a historical process of greater depth of which this is a mere reflection and which must be investigated and studied, in the same way that K. Marx explained in 1869 in his preface to the 2nd edition of "The 18th Brumaire of Louis Napoleon Bonaparte": *"I, on the contrary, demonstrate how the class struggle in France created circumstances and relationships that made it possible for a grotesque mediocrity to play a hero's part."*

K. Marx begins that fundamental book of Marxism by saying, *"Hegel remarks somewhere that all great world-historic facts and personages appear, so to speak, twice. He forgot to add: the first time as tragedy, the second time as farce."* (The 18th Brumaire of Louis Napoleon Bonaparte, K. Marx, 1851)

And how many more FARCES we have had to see since then!!!!

We, Marxists, must always bear in mind that: *"It is not the consciousness of human beings that determines their existence, but their social existence that determines their consciousness."* (Preface to the Contribution to the Critique of Political Economy, K. Marx, 1859).

Well, the *in crescendo* rupture of the social body of the different fractions of the bourgeoisie in the USA is thus manifested: if in February 2022 *"one out of three Americans says that violence against the Government can at times be justified"* (Bloomberg, 02-20-2022), in August a study of the University of California was published according to which *"half of the Americans (50.1% exactly) believe that "in the next few years there will be a civil war in the United States."* (La Vanguardia, 23-08-2022).

The only proletarian perspective

In the face of all this, the U.S. working class must refuse to allow itself to be dragged along by one or another faction of the bourgeoisie, refusing outright to be led to fight for the interests of the petty bourgeoisie. **Neither Republicans, nor Democrats**!

The only civil war that interests the proletariat and for which we must be ready to fight and die is the **REVOLUTIONARY CIVIL WAR** of the entire working class (without distinction of sex, race, origin) against the entire bourgeois class: for the abolition of private property, of wage labor, of social classes and of the capitalist mercantile system of production.

For this it is necessary that in the daily struggles in the workplaces we break with the corset of the subsidized, corrupt and institutionalized trade unionism prevailing today in the U.S. as in the rest of the world; that we break with the defense of the fatherland, of the nation and of national production (*"Workers have no country. We cannot take from them what they have not got.",* Manifesto of the Communist Party, 1848) and that we recover the class methods of struggle of the working class: the indefinite strike without minimum services and its extension to all enterprises and sectors; organizing the class union, not subsidized neither by the boss nor by the State.

Only in this way will the proletariat be able to fight for its immediate demands at the same time as it forges **a vanguard capable of organizing and leading these struggles, grouping around and shaping the International Communist Party, the indispensable organ of the class for the leadership of the revolutionary struggle, for the overthrow of the State of the bourgeoisie and the revolutionary transformation leading to the abolition of classes, through the transitory establishment of the dictatorship of the proletariat, and culminating in the extinction of all forms of State.**

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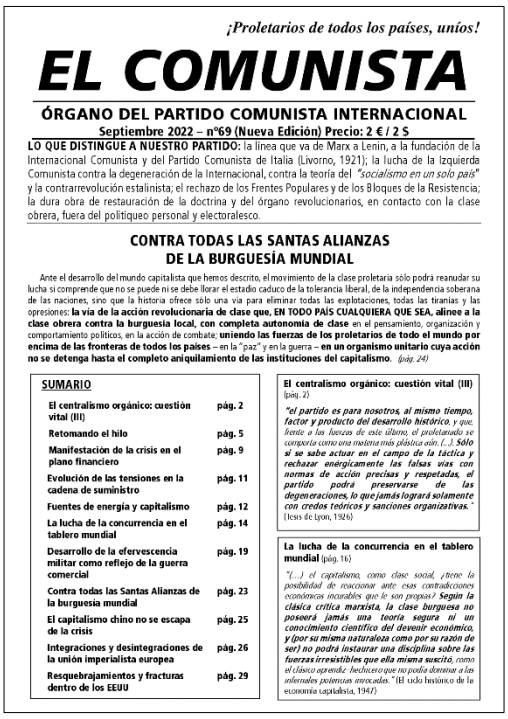

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Ante el desarrollo del mundo capitalista que hemos descrito, el movimiento de la clase proletaria sólo podrá reanudar su lucha si comprende que no se puede ni se debe llorar el estadio caduco de la tolerancia liberal, de la independencia soberana de las naciones, sino que la historia ofrece sólo una vía para eliminar todas las explotaciones, todas las tiranías y las opresiones: **la vía de la acción revolucionaria de clase que, EN TODO PAÍS CUALQUIERA QUE SEA, alinee a la clase obrera contra la burguesía local, con completa autonomía de clase** en el pensamiento, organización y comportamiento políticos, en la acción de combate; **uniendo las fuerzas de los proletarios de todo el mundo por encima de las fronteras de todos los países** – en la "paz" y en la guerra – **en un organismo unitario cuya acción no se detenga hasta el completo aniquilamiento de las instituciones del capitalismo**. *(pág. 24)*

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*"el partido es para nosotros, al mismo tiempo, factor y producto del desarrollo histórico, y que, frente a las fuerzas de este último, el proletariado se comporta como una materia más plástica aún. (...) **Sólo si se sabe actuar en el campo de la táctica y rechazar enérgicamente las falsas vías con normas de acción precisas y respetadas, el partido podrá preservarse de las degeneraciones, lo que jamás logrará solamente con credos teóricos y sanciones organizativas.**"* (Tesis de Lyon, 1926)

La lucha de la concurrencia en el tablero mundial (pág. 14)

*"(...) el capitalismo, como clase social, ¿tiene la posibilidad de reaccionar ante esas contradicciones económicas incurables que él son propias? **Según la clásica crítica marxista, la clase burguesa no poseerá jamás una teoría segura ni un conocimiento científico del devenir económico, y (por su misma naturaleza como por su razón de ser) no podrá instaurar una disciplina sobre las fuerzas irresistibles que ella misma suscitó**, como el clásico aprendiz hechicero que no podía dominar a las infernales potencias invocadas."* (El ciclo histórico de la economía capitalista, 1947)