

Globalization, Financialization, and the Emergence of the Global South

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The theses I put forward on the emergence of generalized, globalized and financialized monopolies, whose guiding principles will be discussed in this epilogue, derive from an ambition to understand the historically profound transformation of capitalism. I maintain that the implosion of contemporary capitalism (the title of my most recent book) may be attributed to two phenomena. Capitalism has been unable to manage the conflicting objectives of accumulation of financial wealth and of economic growth, as illustrated by the crisis of the euro zone; and the emerging economies of the Global South are engaged in a growing conflict with the traditional centres of capitalism and imperialism. Conventional economic theory is totally sterile in this respect, incapable even of conceptualizing this type of analysis.

My analysis of the challenge facing the peoples of our planet today is based on the central role played by generalized monopoly capitalism. This concept helps to explain every significant development marking capitalism in every region of the world. It gives coherence to a landscape that would otherwise seem to be shaped by chance and chaos. The adjective "generalized" describes the nature of this transformation: monopolies are now in a position to reduce all economic activity to subcontracting. This concept allows us to determine the scope of major transformations that have shaped the configuration of class structures and the management of political life.

However, the creation of an authentic "Springtime of the Peoples" in the "Autumn of Capitalism" heralded by the collapse of the system calls for audacity in both thought and action.

1 Generalized monopoly capitalism

The formation of monopoly capitalism dates to the late nineteenth century, but first gained primacy in the United States in the 1920s. It spread to Western Europe and Japan in the 30-year boom following the Second World War. The concept of surplus, discussed by Baran and Sweezy in the 1950s, captures the essence of a capitalism dominated by monopolies. I was won over by their work, which enriched the Marxist critique of capitalism, and in the 1970s I began reformulating it to accord to the emergence of generalized monopoly capitalism.

My first reformulation of generalized monopoly capitalism dates back to 1978, when I gave an interpretation of the response of capital to the new crisis that started in 1971 to 1975. My interpretation identified three emerging trends: (1) the centralized control of the economy by the monopolies; (2) the growing globalization, including relocation of manufacturing industries to the periphery; and (3) financialization. A book, *Let's not Wait for 1984!*, co-authored with Andre Gunder Frank in 1978, went unnoticed, probably because our theories were ahead of their time. Today, the three dimensions of the crisis are glaringly obvious to everyone.

We had to give a name to this new phase. We considered the expression "late monopoly capital." However, the modifier "late", like the prefix "post", did not explicitly indicate the content and scope of what was new. The adjective "generalized" on the other hand indicated that monopolies were now in a position to reduce all or almost all economic activity to subcontracting. Family farming, discussed in my recent writings, is the best example.

The domination of the economy by generalized monopoly capitalism required, and facilitated, changes in the way political life was managed. In the central countries, there arose a new

political culture of consensus, which in effect depoliticized politics. It replaced the previous culture of parties on right and left, which gave scope and meaning to bourgeois democracy and accommodated class struggle within its framework. The terms "market" and "democracy" are contradictory. The market is in fact a "non-market", because it is managed by generalized monopolies. In the peripheries, the management of the economy by the local dominant super-class similarly negates democracy. There may be a great diversity and variety of political movements, but these rarely challenge in a fundamental way the power of the local ruling class. In that sense, politics are depoliticized here as well.

2 The triumph of abstract capital

Capitalism, in the form it took since the industrial revolution of the nineteenth century, reflected a historical reality crucial to understanding the logic of its *modus operandi*. The new master class, consisting of individuals and families tied to historically determined and defined economic entities, gradually established itself as the dominant class in the political system. They owned the capital, or at least most of it, of their factories and financial and commercial firms. They were a real "concrete" bourgeoisie, which, by its ownership of private property, assumed direct management of the economy through engagement in competitive markets. It was this concrete competition that Marx analysed to probe the transformation of value systems into price systems. Additionally, the monetary macroeconomic management of 19th Century capitalism was grounded in the gold standard, where gold served as a concrete commodity money. This management of the collective interests of capitalism, transcending those of individual capitalists, operated within the political framework of the nation state, thereby ensuring that capital accumulation was consistent with the political management of the nation, ideally through bourgeois democracy.

Today, at every decisive level the reality is quite different. Concreteness is disappearing, while an abstract reproduction of capital is gaining ground.

The abstract nature of capitalism today, or more exactly of capital, is tantamount to permanent insurmountable chaos. Capitalist accumulation has always been synonymous with disorder, at least in the sense Marx gave to the term, namely, a system that moves from one disequilibrium to another, drifting along wherever class struggle and power rivalries carry it. Nevertheless, the disorder was kept within reasonable limits by three factors: effective competition among the diffuse sources of capital; state management of the production system within a national framework; and the discipline imposed by the gold standard. Abstract capitalism has erased these limits; the violence of dislocations associated with lurching from crisis to crisis increased.

Analysis of today's abstract capitalism reveals that this system is not viable and that its collapse, already underway, is inevitable. In this sense, contemporary capitalism deserves to be described as senile. Hence my designation: the autumn of capitalism.

3 The financialization and globalization of capitalism

Abstract capitalism dominates the global economy today. Globalization is the name that the monopolies have given to the requirements through which they control production systems in the peripheries. By the peripheries, we mean the whole world except the Triad partners, the USA, Europe and Japan. Globalization is a new stage of imperialism. It is another way of abolishing the right of peoples to freely choose their economic system.

Abstract capitalism is a system that provides monopolies with rent. This rent is levied on the mass of surplus value that capital extracts from the exploitation of labour. To the extent that the monopolies operate on the periphery of the global system,

monopoly rent is imperialist rent. The process of capital accumulation characterizing capitalism in all its historical forms is determined by monopolistic and imperialistic rent-maximization.

This shift in the centre of gravity of capital accumulation is at the root of the incessant pursuit of revenue concentration for the purpose of securing monopoly rents. These rents are captured primarily by oligarchies, to the detriment of workers' wages and even the earnings of non-monopolistic capital.

This increasing imbalance is driving the financialization of the economic system. A growing proportion of the surplus can no longer be invested in broadening and deepening production systems. Consequently, *financial* investment of the surplus is the only viable outlet available to monopoly-driven accumulation.

Institutional changes facilitating financialization include, among others: (1) changing management doctrine from long-term profitability in the real economy to the short-term objective of maximum shareholder value; (2) replacing pay-as-you-go arrangements by funded pensions systems; (3) adoption of flexible exchange rates; and (4) shifting interest rate determination from central banks to supply and demand in the market.

Thirty giant banks located in the Triad have effective control over the creation and reproduction of financial assets. What are euphemistically called "markets" are actually the spheres in which the strategies of these dominant economic agents are deployed. Financialization, which increases inequalities in the distribution of income, also generates the growing surplus on which it then feeds. Financial investments, including speculative investments, continue to grow at dizzying rates far exceeding investment in productive capacity and GDP growth, which in part have become illusory.

The colossal growth in financial investment requires -- and in turn fuels -- debt in all its forms, including sovereign debt. When

governments claim they are pursuing the goal of debt reduction, they are deliberately lying. For the strategy of the financialized monopolies depends on growth of debt, which they seek rather than oppose, since it is a financially attractive way to absorb surplus monopoly rent. Forced austerity policies allegedly designed to reduce debt actually increase it.

4 Financial oligarchy and generalized proletarianization

Generalized monopoly capitalism has transformed class structures both in the Triad and in the peripheries. In the centres, social polarization now pits a financial oligarchy, supported by new middle classes, against diverse dominated classes forming a “generalized proletariat”. In the peripheries, polarization takes different forms, depending on whether or not the country is a major emerging economy.

Increasing concentration and centralization of capital defines the logic of accumulation on a global scale. It is important to distinguish between ownership and control of capital. For example, individuals may own shares in pension funds but finance capital controls the management of these assets.

Ideology extols the virtues of competition but the benefits accrue to an increasingly limited number of oligopolies. This competition is neither perfect nor transparent, qualities it never had, and which are foreign to capitalism as it continues to expand.

Capitalist domination is now so centralized that the way the bourgeoisie lives and organizes itself is not what it used to be. The bourgeoisie was once made up of stable, middle-class families; it shaped its personality and developed its projects over the long term. The resulting stability promoted confidence in bourgeois values and the influence of these values in society. To a large extent, that ruling class was accepted as such. It seemed to deserve privilege and wealth in return for the services it provided. It was usually a national bourgeoisie, sensitive to the interests of the nation, notwithstanding the ambiguities and limitations of this

manipulated concept. The new ruling class has abandoned that vocation.

5 Plutocracy: the new ruling class of senile capitalism

The new plutocracy is counted in tens of thousands, not in millions, as was the old bourgeoisie. Furthermore, this class includes many newcomers whose reputation is related more to their successful financial transactions than to their entrepreneurial role in technological breakthroughs. Their rapid rise contrasts starkly with that of their predecessors, whose ascent took many decades. The proliferation of new start-ups is noteworthy for their extreme instability, resulting in frequent failures, despite the laudatory and excessive rhetoric developed in their regard.

Centralization and concentration have reinforced the interpenetration of political and economic power. This is nothing new. The class nature of power, even in a democratic setting, dictates that the political class is always at the service of capital, while some men in power have always been attracted by the prospect of a share in the capitalist bounty. This interpenetration is now approaching homogenization. This is a new phenomenon, and is reflected in changes in ideological discourse.

The ideology of capitalism in the past focused on the virtues of ownership of property, especially smallholdings, which, because of their stability, were seen as conveyers of technological and social progress. By contrast, the new ideology praises "winners" and dismisses "losers", without further consideration. The image of success promoted by the dominant rhetoric is asymmetrical: success is claimed for the system but failure is blamed on personal circumstance. This ideology, which supports a sort of "social Darwinism", is similar to that of criminal organizations. In both cases the winner is always right, even when his methods, while not necessarily criminal, border on the illegal and ignore common moral values.

6 Crony capitalism goes global

There is collusion between the world of business, auditors and rating agencies, while governments are tacitly complicit. The rating agencies, paid by the monopolies, consider themselves above the fray and vested with exclusive authority to lay down the rules of the game, setting limits for government action. We must dismiss these agencies lest we capitulate in advance, which is unworthy of any left policy. We must reformulate the issue in a manner befitting a democracy: define the conflicting social interests, formulate proposals for a social compromise drawing on broad popular support, and determine the requirements with which monopoly capital must comply.

The economic and political spheres have merged in the power structure of contemporary capitalism. As Marx, Polanyi and Braudel understood, capitalism cannot be reduced to the market, as dominant discourse repeats *ad nauseam*. In contemporary capitalism, the principal players are oligopolies and the state. Collusion in the new capitalism resembles what it was in its early days, although it waned considerably in the nineteenth and twentieth centuries. Consider the Republic of Venice, which was run as a company of very rich merchants, or the Colbertist and Elizabethan periods, ruled by absolute monarchs. In drawing this parallel, we are suggesting that capitalism is now obsolete and has entered a senile phase.

The logic of contemporary capitalism resembles what some economists, sincere believers in the virtues of liberalism, called crony capitalism. The reference was to countries of East Asia and Latin America viewed as corrupt in relation to the debt crises of the 1990s. Cronyism now also applies to capitalism in present-day United States and Europe. Again, current ruling class behaviour comes close to what we know about mafia behaviour.

The system is unable to react to this trend because it is quite simply incapable of challenging the centralization of capital. The measures it takes are reminiscent of late nineteenth century anti-

trust laws (the Sherman Act), which had limited effectiveness. A new law (the Sarbanes-Oxley Act) legitimizes greater involvement by judges in business life. It is likely that the judiciary will get involved in the collusion game it claims to be eradicating.

The political system in contemporary capitalism is comfortable with representative democracy, which we may call "low-intensity democracy". You are free to vote for whoever you want but it makes no difference because the market rather than Parliament decides. It also tolerates the autocratic power and farcical elections that exist in other contexts.

7 The new business class in the peripheries

The centre-periphery distinction has been a feature of global capitalist expansion from its inception, five centuries ago. The local ruling classes in the countries of peripheral capitalism, whether colonies or independent nations, have always been subordinate allies who have benefited from their integration into the global capitalist system.

There is considerable diversity among these classes, which dominated their societies before their submission to capitalism and imperialism. The transformations they underwent after integration were no less considerable. In some cases, former political masters became major landowners, and old State aristocracies were modernized. Political independence replaced them by new bureaucracies and State bourgeoisies. These new ruling classes, at least initially, had legitimacy in the eyes of the population because of their association with national liberation movements.

Yet here, too, in the pre-1950 colonial period and in the neo-colonial era (1950-1980), the local ruling classes benefited from a relative stability. For a long time, successive generations of the aristocracy and the new bourgeoisie adhered to ethical and national value systems. The new political generation that led national liberations did likewise. The men and, to a lesser extent,

the women, who served as their representatives enjoyed varying degrees of legitimacy.

The upheavals caused by global oligopolistic capitalism have replaced the old ruling classes in the periphery by a new class of *affairistes*. This term is common in Francophone countries of the South. The *affairistes* are ostensibly engaged in business, but they are not creative entrepreneurs. They derive their wealth from their political contacts, domestic and foreign, government and corporate. They operate as well remunerated intermediaries, enjoying a politically derived income that constitutes the major part of their wealth. These *affairistes* do not have any system of moral and national values. As caricatures of their alter egos in the dominant centres, their purview is limited to their personal success, money and greed, which they conceal behind their professed praise of free enterprise. Mafia behaviour is not far away.

This new class is an integral part of the lumpen-development that characterizes most of the countries of the South. By contrast, in emerging countries, the dominant social bloc is different. The State is committed to a strategy for social transformation, whatever its limitations. This gives the regime a certain legitimacy, which is absent in countries dominated by a comprador state and a comprador bourgeoisie.

However, this is bound up with three illusions. The first pretends that emergence within global capitalism and through capitalist means will allow these countries to catch up; the second ignores the limitations of what would in fact be possible within this framework; and the third involves the possibility of social and political conflict. Together, these illusions open the door to a variety of possible changes, ranging from the best, that is moving towards socialism, to the worst, entailing failure and re-compradorization.

8 A generalized but segmented proletariat

The segmentation of the proletariat is not new. The concept of the proletariat was more evident when it applied to factory workers in the 19th century or to Fordist industrial workers in the 20th century. Their concentration in workplaces facilitated solidarity in struggles and maturation of political consciousness, cultivating certain *ouvriéristes* forms of Marxism. The more recent fragmentation of production, facilitated by technological change, has weakened worker solidarity and created perceptions of divergent interests.

The proletariat appeared to shrink at the very moment it was becoming generalized. Numerous forms of small, independent production, and millions of small traders, farmers and craft workers disappeared, replaced by subcontractors and superstores. Ninety percent of workers, in both goods and services, are now employees, whose wages and salaries show disparities far exceeding the training costs for the qualification required.

But feelings of solidarity are being revived. "We represent the 99%," claims the Occupy Movement. While 80% would be more accurate, this movement represents the overwhelming majority of the working world. There are two important aspects to this phenomenon: it points to the fact that capital exploits everyone, and exploitation and the violence associated with it come in a variety of forms and pose a challenge to the left.

The left therefore cannot ignore contradictions within the people without abandoning the project of making objectives converge. This in turn suggests a need for diversity in organizational forms and actions deployed by the new, generalized proletariat. The ideology of social movements often ignores these challenges. Going on the offensive inevitably requires the creation of intellectual centres capable of conceptualizing the unity of strategic objectives.

The transformations in the economic basis and class structures of the system have modified the conditions in which power is exercised. Political domination is now expressed through a new kind of ruling class, including a media priesthood, wholly at the service of generalized monopoly capital. The ideology promoting the individual as paramount and the illusions of a movement that seeks to change the world without addressing the question of how workers and peoples are going to capture power, reinforce the hegemony of capital.

9 A shift in the centre of gravity of global capitalism?

Do the victories of anti-imperialist struggles waged by states and peoples of the peripheries set the stage for socialism or the emergence of new capitalist centres? Current conditions seem to pit the decline of the old centres of the Triad against the rapid development of emerging countries like China. Could the current crisis therefore lead to renewed capitalist growth centred on Asia and South America? In other words, do the successes of the anti-imperialist struggles in emerging countries set the stage not for socialism, but for a new, albeit less polarized, capitalist expansion?

The main argument in my critique of the possibility of catch-up growth in the peripheries is grounded in the specific historical path of industrial capitalism, which many now propose as the sole model. This model was from the outset based on mass expulsion of the peasantry. The model was sustainable only because of a safety valve: mass emigration to the Americas. This experience cannot be replicated today by the peripheries, which account for nearly 80% of the world's population. Five or six Americas would be needed to catch up by imitation! Catching up is still an illusion and initiatives that appear to be making headway will inevitably fail. That is why we contend that anti-imperialist struggles are also potentially anti-capitalist. If catching up is impossible, then trying a different approach becomes necessary.

Taking a long-term view of emerging country development, catch-up growth is by no means assured. In the short term, to assess emerging country success in terms of accelerated growth within global capitalism and through capitalist methods reinforces the illusion that catching up is indeed possible. The same illusion accompanied 20th century experiments known as the first wave in the "Awakening of the South", presented as "catching up through the socialist path". We analyzed the contradictions of the "Bandung Project" (1955-1980) which strived to unite the working classes and the national bourgeoisies as allies in the liberation struggles with incompatible objectives.

10 A conflict with great potential for progress

Today, the collective imperialism of the Triad is deploying all the economic, financial and military means at its disposal to perpetuate its domination over the world. Emerging countries that attempt to counteract the Triad's advantages, including technological superiority, exclusive access to the world's natural resources and military control over the planet, inevitably clash with it. There is a positive side to this clash: it helps to dispel emerging country illusions about their ability to advance within the system. It also provides popular and democratic forces with an opportunity to influence the course of events so as to make headway on the long road to socialism.

Emergence is not measured in terms of long-term high growth rates of GDP or exports, i.e., that last more than a decade. Rather, it involves sustained growth in industrial production, and an increasing ability of emerging country industries to be competitive on a global basis. The economic competitiveness of productive activities refers to the production system as a whole, not the competitiveness of certain production facilities considered in isolation. Through relocation or subcontracting, multinationals operating in the South can set up local production facilities, whether they are subsidiaries of these transnational corporations or independent firms, capable of exporting to global markets. It then

becomes possible to refer to these local entities as “competitive” — to use the language of conventional economics.

This truncated concept of competitiveness derives from a highly empiricist method. The competitiveness is that of the production system. This assumes that the economy in question is composed of productive firms and industries sufficiently interdependent to constitute a system. The competitiveness depends on a variety of economic and social factors, including the overall levels of worker education and training in every category, and the effectiveness of all institutions managing national economic policy, which encompasses taxation, business law, labour rights, credit, government support and so forth.

11 Emerging economies and affirmation of sovereignty

The concept of emergence involves a holistic and political approach. A country is emerging only to the extent that its government is guided by the goal of building an autocentric economy, albeit one that is open to the world, thereby affirming its national economic sovereignty. Its complex, multi-faceted and mutually complementary set of objectives means that the affirmation of sovereignty will involve every aspect of its economic life. This contrasts sharply with the objectives of comprador power, which contents itself with adjusting the country’s prevailing growth model to the requirements of the dominant world system.

My proposed definition of emergence has so far said nothing about the overall objective of the political strategy, whether capitalist or socialist, adopted by the State and society concerned. Yet, this issue is an integral part of the debate, for the vision of its ruling class has a major impact on the success of a country’s emergence. The relationship between policies shaping emergence and their attendant social changes does not depend only on the internal coherence of these policies, but also on their degree of complementarity or conflict with social changes. Social struggles

cannot be expected to accommodate the project of the ruling class, they are in fact one of the determinants of the project.

Current experiments reveal diversity and fluctuation in these relationships. Emergence is often accompanied by even greater inequality. Inequalities, whether benefiting a tiny minority or a larger swath of the middle classes, may contrast with the impoverishment of the majority of workers. On the other hand, inequality may be accompanied by improved living conditions of workers where the rate of growth in wages is lower than that of the incomes of individuals benefiting from the system. In other words, the policies implemented may or may not affect the link between emergence and impoverishment. For emergence is not a fixed and final status describing the country concerned; rather, it is made up of successive stages which may or may not lead to an impasse.

Similarly, the relationship between an emerging economy and the world economy is itself constantly changing. It has the potential to strengthen or weaken sovereignty and social solidarity in the country. For example, growth in exports can weaken or strengthen the relative autonomy of an emerging economy vis-à-vis the global system.

Emergence is a political project. Aside from its success in terms of economic indicators, an emerging economy's resilience is tested by its ability to reduce domination by capitalist centres. We have defined dominance in terms of control over technological development, natural resources, the global financial and monetary system, media and weapons of mass destruction. And we have concluded that the objectives of the emerging countries are in conflict with the strategic objectives of the Triad, and that the level of violence depends on the degree to which their challenges to the centres are radical and far-reaching. The economic success of emerging countries is therefore inseparable from their foreign policy. Are they aligned with the politico-military coalition of the Triad? Do they accept NATO strategies? Or are they attempting to oppose them?

12 Political projects, **social bases and** legitimacy

Emergence is impossible without a State policy. This policy must be founded on a wide social base giving it legitimacy. It must implement a coherent project for an autocentric national production system, assuring the vast majority of the working classes reap the benefits of growth.

The opposite of an authentic emergence project of this type is lumpen-development, a unilateral submission to the requirements of global capitalism as organized by the generalized monopolies. We are making free use of this term, which was employed by the late Andre Gunder Frank to analyze a similar trend, though he did so with reference to conditions in a different time and place. Today, lumpen-development is what results from the accelerated social disintegration generated by a model imposed by the imperialist centres. It manifests itself as a dramatic growth in survival activities (the so-called informal sector) or, stated differently, by the impoverishment inherent in the unilateral logic of capital accumulation.

It will be observed that we have not categorized emergence as either capitalist or socialist. For emergence is a process that combines, in a complementary or a conflicting way, the logic of capitalist management of the economy with that of non-capitalist (and potentially socialist) management of society and politics.

Certain emerging economies can be categorized as either capitalist or socialist because they have no connection to lumpen-development processes. They have not impoverished the working classes; indeed, they have given rise to a modest or even marked improvement in living conditions. Two of these experiments, carried out in Korea and Taiwan, are plainly capitalist. This is not the place to discuss the specific historical circumstances that led to a successful emergence project in these two countries. Two other countries inherited the legacy of revolutionary aspirations carried out in the name of socialism – China and Vietnam. Cuba

might be included in this group if it could overcome the contradictions it is currently experiencing.

By contrast, there are examples of emergence that have made extensive use of lumpen-development processes. India is the best example. Many aspects of what emerging economy requires and creates are in evidence here: State policy supporting a large industrial system of production; an expanding middle class associated with this system; growing technological and educational capabilities; and international policies capable of preserving the country's independence on the world stage. However, the vast majority of the population face accelerated impoverishment. What we have here is a hybrid system combining emergence and lumpen-development; one might even contend they have a complementary relationship. Without making too sweeping a generalization, we believe that all other countries considered to be emerging – including Brazil, South Africa and others -- belong to this hybrid category.

There are also cases, in many other countries of the South, where the elements of emergence are barely noticeable, with the result that lumpen-development processes dominate.

13 The implosion of contemporary capitalism

Generalized, globalized and financialized monopoly capitalism now has nothing to offer the world, other than the sad prospect of humanity's self-destruction, and further deployment of capital accumulation is inexorably heading in this direction. Capitalism has outlived its usefulness, producing conditions that suggest a necessary transition toward a higher stage of civilization. The implosion of the system, caused by the ongoing loss of control over its internal contradictions, signals "the Autumn of Capitalism".

This "Autumn of Capitalism" has not coincided with a "Springtime of Peoples". This would imply that workers and peoples in struggle

have accurately gauged not what is required to "overcome the crisis of capitalism" but rather to "exit from a "capitalism in crisis" (the title of one of my recent works). This has not happened, at least not yet.

The distance between the "Autumn of Capitalism" and a "Springtime of Peoples" is creating a perilous situation. The battle between defenders of the capitalist order and those who are able to enlist the forces of humanity on the long road to socialism, envisaged as a higher stage of civilization, has barely begun. Every conceivable option is open, from the most civilized to the most barbaric.

The very existence of the gap requires explanation. Capitalism is not only a system based on the exploitation of labour by capital, but also a global system whose deployment gives rise to polarization. Imperialism and capitalism are two sides of the same coin, two inextricably linked aspects of the same phenomenon, namely, historical capitalism. For most of the 20th century, workers and oppressed peoples challenged this system, achieving much success through a long wave of struggles ending in the 1980s. The successes included revolutions conducted under the banners of Marxism and communism; reforms won with a view to gradual socialist development; and triumphs of national liberation movements of oppressed and colonized peoples. Separately and collectively, they forged power relations that worked to the benefit of workers and peoples. However, the wave faltered without creating conditions that would have facilitated further breakthroughs. In running out of steam, it allowed monopoly capital to resume its offensive and restore its absolute and unilateral power while the contours of a new wave of revolt were barely emerging. In the gray landscape of a night that has not ended, of a morning that has not yet broken, monsters and phantoms emerge. For while the project of generalized monopoly capitalism is indeed abhorrent, the responses of the forces of refusal continue to reside in the shadows.

The contemporary capitalist system is based on the false premise that markets are self-regulating, whereas in reality they are volatile. Nevertheless, the imbalance in the opposing social forces is so great that this ridiculous idea has gained widespread acceptance. In periods when the opposing forces are more evenly balanced, as was the case during the aforementioned wave of the last century, social actors were obliged to develop their intelligence to consolidate their gains. By contrast, periods of extreme imbalance place a high premium on stupidity, allowing capital to imagine it can do whatever it wants for eternity, since history has supposedly reached the apogee of its development following the final defeat of socialism. The astounding mediocrity of the political actors of our era is but a pale reflection of this premium on stupidity.

Nota Bene:

The ideas raised in this postscript have been developed by the author in his recent book, *L'implosion du capitalisme contemporain*, Delga (ed.), Paris 2012, English translation, *The implosion of contemporary Capitalism*, MR Press and Pluto, forthcoming 2013.