

CRISIS OF IMPERIALISM

(Taken from speech given at the Revolutionary Student-Youth Conference called by the PRRWO, December 1975)

Comrades, we live inside one of the two imperialist superpowers in the world - the United States, a vicious monster whose hands are dripping with the blood of the workers and oppressed people of the world. It is our responsibility to devote our lives to destroying this monster. We hope this conference will be a contribution in this direction. Neither the U.S. imperialists nor their chief competitors, the social-imperialists of the USSR are invincible. On the contrary, the people of the world are uniting more and more to rip both these bloodsuckers off their backs, guns in hand, fighting for true liberation, following the teachings of Chairman Mao Tse Tung when he said:

"People of the world, unite and defeat the U.S. aggressors and all their running dogs. People of the world, be courageous, dare to fight, defy difficulties and advance wave upon wave. Then the whole world will belong to the people. Monsters of all kinds shall be destroyed."

Today, the U.S. imperialists find their empire more in decline; they are sinking deeper and deeper into crisis. They are caught in the web of inevitable contradictions that are built into capitalism; and their every attempt to resolve these, only intensifies the contradictions further.

Marxism-Leninism teaches us that the fundamental contradiction inherent in capitalism is the contradiction between the social character of production and the private character of appropriation - that is, millions of people must work together to produce the necessities of the society - socialized production - but a small class of capitalists appropriates the wealth that these millions of workers have created. This fundamental contradiction reveals itself in many ways.

As capitalism developed to its highest and final stage--monopoly capitalism or imperialism--it could no longer survive by exploiting only the workers within the U.S. - it searched abroad, outside its own borders, for new markets for investment of its capital, for new sources of raw materials and cheap labor, for markets to dump its surplus products. Now it could survive only by exploiting and oppressing the working class at home and the oppressed peoples abroad.

To help us understand all this, we have to be clear - the motive force in capitalism is profit and more profit. A capitalist's success is judged by the amount of profits he brings in. To continuously increase their profits, the capitalists must continuously expand their production. So a large part of their profits are put back into the expansion of production, into technological improvements. This means more machines and fewer workers; so now, less workers, using their skill and strength on new machines, can produce more commodities at a faster rate. Every individual capitalist must do this in order to survive. He can't just stand still and keep putting out what he has been putting out, or else other capitalists will drive him out of business, swallow him up.

But this creates a problem for the capitalists - all their profits come from the unpaid labor of the workers in production. (This is surplus value - for instance the worker works 8 hours but is not paid for the full 8 hours - he may be paid for 4 or even less - the other 4 hours are unpaid - the source of the capitalist's profits.) But as the capitalist sinks more money into improving technology, and as advances in technology require fewer and fewer workers, over time there is a tendency for his rate of profit to fall. (For a more detailed explanation see Palante, Vol. 1, #12, Default article.)

The fundamental law of the falling rate of profit intensifies the periodic crises of overproduction. So many commodities get produced that under the conditions of the exploiting capitalist system, which limits the purchasing power of the broad masses (by holding wages as low as possible) - that they can find no market. This isn't because no one needs or wants the products produced; it is because the masses of workers who need these necessities in order to live cannot buy them because their wages have been depressed.

This leads to factories not being able to get rid of their commodities. Warehouses become loaded with finished products. In Detroit, blocks of newly-produced cars are unsold.

What are some of the steps the imperialists take to fight the falling rate of profit and the crisis of overproduction?

In terms of the falling rate of profit:

a. The capitalists intensify to the utmost the exploitation of the workers. They do this through such things as speedups and compulsory overtime.

b. They also try to invest in areas where they can get the most surplus value. For instance, many of N.Y.'s garment factories have left N.Y. - they are "runaway shops" - for the South, Southwest as well as to countries of the Third World.

In these areas they can be closer to their sources of raw materials (such as synthetics and cotton) and at the same time find workers forced to work a longer workday and workweek, often for lower wages.

c. They also destroy the means of production - actually tearing down factories, and dumping food into the ocean - so they can start the process of accumulation all over again.

War does this very efficiently - as it encourages production for the purpose of destroying the goods produced.

d. One other thing they do in their attempts to make up for the fall in the rate of profit is to increase their production - this however only intensifies the crisis of overproduction.

In trying to resolve this, the capitalists then eventually wind up cutting back production. Workers are thrown into the streets and those remaining on the job are speeded up. Unemployment skyrockets. We have seen this in the last 2 years, with unemployment the highest since the Great Depression.

These problems also drive the imperialists to heighten their search for new markets abroad, intensifying the exploitation of the oppressed peoples even more.

However, all these desperate measures cannot save these dying parasites.

First, their intensified exploitation of the workers and oppressed masses in the U.S. leads to greater resistance and struggle against them, sharpening the principle contradiction in the U.S. - between the bourgeoisie and the working class. We are seeing that today with the greatest wave of strikes and workers' demonstrations since the Depression.

Second, their intensification of plunder abroad, leads to an intensification of the struggle against them, a sharpening of the principal contradiction in the world - between the imperialists and social-imperialists on the one hand and the national liberation struggles on the other hand. The victorious struggles of Cambodia, Vietnam, Laos, Guinea-Bissau and Mozambique are some recent examples of this. All of Asia, Africa, and Latin America are ablaze with the fire of revolution - and as one and then another country fights their way free, we here in the U.S. rejoice - because each victory for the oppressed countries of the Third World is a hammer-blow that weakens U.S. imperialism and is therefore a victory for us in the U.S. who are fighting this same enemy. Likewise, each victory in the U.S. is a victory for our class brothers and sisters abroad.

Finally, we must address ourselves to the imperialists' drive for new markets abroad. The world has already been divided - this process was completed by World War I with every imperialist laying claim to different parts of the world. The only way one imperialist can obtain new markets now is by ripping them off - by going to war. Besides this, the victories of the national liberation struggles have reduced their possible targets even further and therefore their fight for colonies is even more frantic. This can be seen most clearly in the frenzied attempts of the two superpowers to gain hegemony in the world today - and the rising danger of war that is resulting from this.

Often comrades hear all this and ask, but why do the capitalists continue on this way - why don't they plan how they're going to do things.

The answer to this is found in the very nature of capitalism itself - as we said before it is based on the drive for profits, competition, the individual before the collective. It is an inefficient system - it periodically breaks down; it cannot provide useful and productive work for all those who want to work - it must have a huge army of unemployed. It destroys food while people go hungry, and it periodically must lead to war.

The capitalist system doesn't base itself on the needs of the people; it bases itself on the profits of a few. All these things are inherent in capitalism - it cannot plan production to meet the needs of the working masses - it cannot distribute the wealth equally. If it did, it would not be capitalism - it would be an entirely different mode of production.

Imperialism, the highest and final stage of capitalism, means the increased impoverishment of the working class in the imperialist U.S. and the "shameless exploitation and the most inhuman oppression of hundreds of millions of the population of vast colonies and dependent countries." Imperialism must, and will, be destroyed.

"Imperialism will not last long because it always does evil things. It persists in grooming and supporting reactionaries in all countries who are against the people, it has forcibly seized many colonies and semi-colonies and many military bases, and it threatens the peace with atomic war. Thus, forced by imperialism to do so, more than 90% of the people of the world are rising or will rise up in struggle

against it. Yet imperialism is still alive, still running amuck in Asia, Africa and Latin America. In the West imperialism is still oppressing the people at home. This situation must change. It is the task of the people of the whole world to put an end to the aggression and oppression perpetrated by imperialism, and chiefly by U.S. imperialism." (Mao Tse Tung, Interview with a Hsinhua News Agency correspondent, Sept. 29, 1958)



"The two superpowers, the United States and the Soviet Union are aggressive imperialist powers. They are dividing the world into spheres of influence and proceeding to the division and occupation of world markets. Their ultimate aim is to dominate over the whole world, to rule over all nations and states. Hence, their irreconcilable contradictions which may lead them to another war.....They are the sort of people who wish to rule over the world and the peoples, they do not want the peoples to raise their voice against them, they are wont to look down on the people and order them around with bullets and whips. And it is they who pose as the most unpretentious people on earth.

"We tell them that we are not arrogant but the soldiers of that big and powerful army which carries out the revolution, which strikes terror into their hearts and which eventually will spell their death. This is not a revolution of yes-men and slaves, of people bending their backs and wallowing in the mud, but a powerful strike, the continuation of the Great October Revolution, it is the Great Chinese Proletarian Cultural Revolution, it is the liberation struggles of the peoples."

(Enver Hoxha, First Secretary of the Central Committee of the Party of Labour of Albania, in a speech delivered on Oct. 3, 1974)