A New Quality of the General Proneness to Crisis of Imperialism and the Chances for the Revolutionaries

2017 is already proving to be a year of great changes. Many people consider Donald Trump's exercise of office as US President as "immensely dangerous". How right they are. But what are the underlying causes and the background? Many questions, many concerns, but also a lot of determination are arising in the face of increasing crises, wars, as well as new struggles and mass movements. There are also great changes in the MLPD with the change in the party leadership from Stefan Engel to Gabi Gärtner. In this eventful environment the 2nd Plenum of the Central Committee of the MLPD, newly elected by the 10th Party Congress in 2016, took place a short time ago. The new party chairwoman, Gabi Gärtner, in close consultation with Stefan Engel, analyzed the present world situation as well as the great tasks and chances of the revolutionaries. *Rote Fahne* documents excerpts.

It is of greatest significance for the preparation of the international socialist revolution to always appropriately qualify the development of the imperialist world system and the potential of the revolutionary world crisis. For some years the **openly reactionary tendencies of imperialism and its governments** have been unfolding.

Since 2012 – and more quickly in the years 2014 to 2016 – **more and more openly reactionary, nationalist to proto-fascist governments have been installed**, or governments have gone over to openly reactionary policies. The great majority of bourgeois governments, among them the Merkel/Gabriel administration, have **made a shift to the right** – in reaction to an internationally beginning progressive change of mood among the masses.

The assumption of office by Donald Trump in the USA marks the transformation of quantity into a new quality of the general proneness to crisis of imperialism. At the beginning of March 2017, Stefan Engel characterized the development: "Trump's policy and the shift to the right of various governments are the reactionary attempt of imperialism to get out of its proneness to crisis. The development of new-imperialist countries is an expression of the crisis of imperialism. The reaction of various old imperialist countries like Great Britain with the Brexit, the USA, the shift to the right of the Japanese government or also the provocative advance of NATO as in Eastern Europe are marking the rising aggressiveness and militarization of the imperialist world system."

A new starting situation is emerging

The following theses are the result of in-depth analyses on this basis. I would like to substantiate them here:

- **1.** Due to significant shifts in the imperialist balance of forces the international competitive rivalry threatens to assume more and more the character of an **open clash and confrontation**.
- 2. The economic and political instability of imperialism is comprehensively deepening.

Especially the growing danger of a world war and measures that aggravate the transition to a global environmental catastrophe are threatening world peace and the foundations of human existence on a new level.

3. The changes since the assumption of office by Donald Trump by no means have only the character of a mere change of government:

With his taking over office there is a **change of the methods of rule**. These are coming more and more into conflict with conventional bourgeois-democratic practices, are tending to dissolve the post-war order of the imperialist world system, and **Trump is replacing the governmental system of the petty-bourgeois mode of thinking with open reaction internally and externally.**

- **4.** On the basis of dealing with and taking position against the worldwide shift to the right of governments as well as the fascization of the state apparatuses, with the preliminary climax of US President Trump's exercise of office, a **progressive change of mood among the masses** is beginning. On this foundation a worldwide upswing of the struggles of the working class and mass struggles is developing across the entire spectrum of active popular resistance.
- **5.** From these factors the emergence of a **new tactical starting situation in world politics** is becoming apparent.
- **6.** A new quality in the development of the crisis of imperialism must also be followed by a new stage of the society-changing struggle.

The most important **conclusion** is the necessary **strengthening of Marxist-Leninist party building** in more and more countries and its practical coordination mainly by the ICOR – combined with gradual ideological-political unification....

The current **key link** ... **in Germany** is the interpenetration of the tactical offensive for genuine socialism and against modern anticommunism, in combination with building up the Internationalist Alliance, with the campaign "100th Anniversary of the October Revolution" in order to sharpen the strategic view. The **reorientation of the Marxist-Leninist strategy and tactics** on the background of the political changes in the world can become **the greatest opportunity** since the 2nd World War **for us and for the revolutionaries** worldwide.

USA: new method of government

The increasing social polarization is undermining the system of the petty-bourgeois mode of thinking more and more deeply and comprehensively. In the USA this has led to the failure of the petty-bourgeois mode of thinking as the method of government.

What is the new tactical starting situation, the emergence of which is becoming apparent?

Obviously, the **destabilization of the imperialist world system** arising since the reorganization of international production is **accelerating**, and it is connected with a **number of new manifestations**.

We cite the openly racist attempt to defame Islam in general as being the world outlook at the root of terrorism; the increase of protectionism instead of the promotion of open world trade; the radical questioning of the concessions to the international environmental movement and the initiation of an aggressive intensification of environmentally destructive measures; furthermore, the orienting of imperialist power policy no longer primarily toward imperialist pacifism but toward open aggression and militarization. As a method to deceive the people, Trump relies on ultra-reactionary to proto-fascist social demagogy. Among his new methods are:

- **1.** Abandonment of bourgeois-democratic conventions in dealing with the bourgeois opposition, the bourgeois media and in the parliamentary institutions.
- **2.** In foreign policy, confrontation and aggressiveness instead of diplomacy; provocative abandonment of treaty observance.
- **3.** Undermining the bourgeois separation of powers: governing with decrees and bypassing parliament; threats and bribery to subordinate bourgeois parliamentarians and judges to his course.

- **4.** A tendency to give up the fundamental lie of the "USA as a power for peace": open militarization of administration and policy war, violence and torture as legitimate means to assert national interests.
- **5.** Attacks on the bourgeois media and the still existing illusions of a "free media reporting". Manipulation of public opinion by deliberate misinformation and provocation with the brazen spreading of lies as "alternative facts"; openly reactionary denial of scientifically based knowledge.
- **6.** Spreading of openly racist, sexist and nationalist world outlook to fascize and divide society.
- **7.** The ruthless and pragmatic capitalist striving for profit is openly becoming the government program.
- **8.** The provocative and radical attack on present "consensual propositions" of the system of the petty-bourgeois mode of thinking like environmental protection and an open about-face.

In contrast to Erdogan in Turkey, Trump, however, has not yet introduced an openly fascist system. The reason why the bourgeois-democratic rights and liberties in the USA still remain largely untouched so far has to do with the fact that the **mass basis for this openly reactionary policy is not sufficient in the USA as yet**, and the protests of the democratic people's movement have increased by leaps and bounds.

Erdogan with his AKP, however, is able to rely on a relatively broad, solidly composed mass basis. The people who voted for Trump because they fell for his demagogy cannot all be put on the same level with those who direct or totally support his reactionary policy in its entirety. This is only a rather smaller group of the most aggressive parts of US-American finance capital, politically ultra-reactionary Republicans, parts of the Tea Party and the creationists¹ including the fascist Breitbart network. A CNN poll at the beginning of February stated: "Six out of ten Americans are fed up with their new president. 40 percent of the US voters even demand that Trump be impeached."²

Regarding world outlook, the different ultra-reactionary governments are in relative agreement, despite their different forms, and employ various justification theories. For example, the magazine *Spiegel*, No. 6, 2017, spreads the theory of an "illiberal democracy": "In many parts of the world the so-called 'illiberal democracy' is experiencing a comeback: the authoritarian democracy where a regent might be elected more or less freely, but where the fundamental rights of the citizens are limited and the change of power is made difficult."

Problems with the exercise of rule

Today those in power cannot so easily establish open fascism or military dictatorships against the masses – and cannot do so also considering internationalized production. They have to find "new ways" to abolish or at least massively restrict all bourgeois-democratic rights and liberties which they find "burdensome". It complies with their aims that the different emergency laws, "anti-terror laws" or state of emergency provisions already make this possible within bourgeois democracy.

Political and ideological background and "men" behind the scenes in many of the governments and parties that have shifted to the right are open fascists. For example, the fascist Steve Bannon is one of Trump's chief consultants. Bannon, on his part, praises Alexander Dugin, known as "Putin prompter", and his "uncompromising nationalism". Dugin admires Italian fascism and plans a "right-wing world revolution" in which the nationalists of all countries unite to "drain the liberal swamp" side by side with the USA.³

Putin himself is expanding his relations with proto-fascist forces. A short time ago he welcomed the Front National leader Marine Le Pen and considered it "interesting ... to exchange ideas ... She represents a 'political spectrum' in Europe which is developing quickly."⁴

At the same time **the open fascists are not acceptable among the masses** so that Le Pen in France had to moderate the openly fascist course of her father, and the AfD had to initiate an expulsion procedure against Björn Höcke. So we have to exactly observe, qualify and adjust our strategy and tactics to the **different transitions in the methods of rule**, from bourgeois democracy to openly reactionary rule, internally and externally, up to fascist dictatorships.

The elaboration of the work *Revolutionärer Weg*, Nos. 36/37, on the crisis of bourgeois ideology and the doctrine of the mode of thinking is gaining even more importance in face of the "battle" over the mode of thinking of the masses that accompanies this.

Erosion of the system of the petty-bourgeois mode of thinking

The **search for a social alternative** is growing in Germany, and **a continuing, growing openness** and an interest for the **socialist alternative and the MLPD** already has been developing **for some time**. This is the most important expression of the erosion of the system of the petty-bourgeois mode of thinking.

The emerging progressive change of mood has **strengthened internationally** in the course of 2016. Trump's taking office in January 2017 challenges the masses even more to position themselves socially in masses. Since the beginning of 2017 **more than ten million people** have demonstrated and gone on strike worldwide **in great mass protests**. There were more than five million alone against Trump's policies – demonstrations, manifestations, blockades, partly strikes of workers. On the day of his inauguration alone, 4.7 million people in 800 cities of the world took to the streets. These were also the greatest internationally coordinated manifestations and demonstrations for **women's rights** in post-war history.

A **new massive youth movement** is developing in the USA as well as in other countries. A majority of those under 30 reject capitalism, and a previously unknown desire for consciousness and sympathy for socialism is prevailing among the youth. There are significantly more forces which want to get into contact with the MLPD and the ICOR....

Furthermore, there were demonstrations for the rights of refugees, among others with 300,000 people in Barcelona on 15 February. Mass protests forced the resignation of the reactionary government of South Korea or the revocation of the legalization of political corruption in Romania. One million people protested in Brazil on 15 March with strikes, blockades, occupations and demonstrations against an almost complete abolition of the pension system. In India one million took part in a nationwide strike of the bank employees against president Modi's policy of privatization on 3 March.

In some countries women's consciousness is awakening on a broad front and is developing a political character. In Poland more than 100,000 women prevented a total ban of abortion with demonstrations and strikes in October 2016. In Turkey the women's movement prevented a law for the de facto legalization of rape – the first open defeat for Erdogan's fascist dictatorship. On International Women's Day there were mass demonstrations in many countries.

In **Eastern Europe** there were continuing broad mass protests against the ultra-reactionary governments in countries like Armenia, Macedonia, Poland, Romania and Hungary.

Remarkable are the mass demonstrations in **Russia** where the youth takes to the streets in masses, as well as in Belarus. There were partly **fierce workers' struggles in China** and **India** at the beginning of March – at Volkswagen (VW) in China for providing permanent jobs for agency workers.

Those in power react to this development with increased oppression, social-chauvinist or social-fascist and other openly reactionary forms of demagogy. In India leaders of the Maruti strike were sentenced to life imprisonment in March for alleged murder. Mass strikes took place immediately in opposition, and on 4 April a worldwide strike and protest day. The Turkish government banned the strike of metal workers in January claiming that it "endangered national security".

Reformist attempts at dampening

At the same time, forces like Martin Schulz (SPD) or Emmanuel Macron, independent candidate for president in France, are trying to revive the petty-bourgeois mode of thinking as system of government.

The movement against Trump, too, is not generally progressive or even left. It includes supporters of a desired Clinton government with parts of the monopoly capital and its billionaire representatives like Mark Zuckerberg, George Soros or Bill Gates; liberal or democratic individuals in the media, the judiciary, the civil service apparatus and among artists.

This **bourgeois and petty-bourgeois oppositional movement** against the openly reactionary proto-fascist Trump government will fail, however, as it does not offer a real alternative to imperialism's proneness to crisis, which has led to the current change in the ruling methods of various imperialist governments.

They also cannot simply go back beyond the criticism of the system of the petty-bourgeois mode of thinking as method of government. The change of course to "social justice" being propagated by the new SPD chairman and candidate for chancellor, Martin Schulz, definitely will *not* lead to revoking the redistribution of the national income at the expense of the broad masses, a policy for which the SPD under Gerd Schröder is accountable. Under Martin Schulz there will be no break either with the Hartz laws or the Riester pension, retirement at age 67 or the dissolution of the equal financing of social insurance by employers and employees.

The SPD leadership obviously speculates on margins for social reforms arising out of the economic situation in Germany. These are, however, of temporary nature and will be wiped away rigorously in the next world economic and financial crisis. The monopolies also press for keeping the "risks" for economic development as low as possible, which in their view does not leave any margin to abolish the Hartz laws. Just a change in the low-interest policy of the European Central Bank (ECB), which repeatedly has been called for, and an increase in interest rates could cost the government billions. In the end the SPD will continue to play its role as caretaker of the monopolies.

Economic basis of destabilization

The further destabilization of imperialism has its essential economic basis in the fact that the chronic overaccumulation of capital has reached a new level on the foundation of the reorganization of international production. Between 2008 and 2015 the share of the 14 new-imperialist countries⁵ in worldwide gross fixed capital formation increased from 28.5 to 41.9 percent, while the share of the old imperialist countries (OECD) declined from 66.7 to 51.8 percent.⁶

This first served as an outlet for the leading imperialist supermonopolies, helping them come out of the world economic crisis already in 2009 to 2011. But with this shift of investment activity, powerful new imperialist rivals have risen. Their share of worldwide capital export tripled – as measured by the yearly capital outflows – from 2007 through 2014 to 30.9 percent.⁷

Since 2015, however, a turnabout in **capital export** occurred. The share of investments of the new-imperialist countries in the worldwide capital export declined from 30.9 percent in 2014 to 19.9 percent in 2015; China's share decreased from 18.9 to 12.5 percent. The old imperialist countries instead, especially the EU, increased their share of capital export from 22.5 percent in 2014 to 33.0 percent in 2015. The USA, however, dropped back further, from 24.0 to 20.3 percent.⁸

Josef Stalin, Russian communist and leader of the socialist Soviet Union for decades, pointed out "that the uneven development of capitalist countries usually leads, in the course of time, to a sharp disturbance of the equilibrium within the world system of capitalism...," which leads to drastic "crises and catastrophic wars". The **multipolarity of imperialism** gives evidence of this unevenness of development and at the same time has accelerated it enormously. This is the root of the rise of wars and warlike conflicts in the world, up to the emergence of the danger of a new world war.

The relapse of the USA

The most striking unevenness in the development of the imperialist world system is the **massive relapse of US imperialism in its dominating position on the world market.** A starting point of this development is the military and economic failure of US-imperialist strategy in the Middle East. The war in Iraq alone cost the USA 2.2 trillion US dollars ¹⁰ through the year 2013, the war in Afghanistan about 1.5 trillion dollars through 2015. ¹¹

Through the massive extension of environmentally destructive **fracking**, the USA managed temporarily to gain world market leadership in oil production. However, Saudi Arabia and Russia countered with increased oil production. Oil prices slumped from more than 110 US dollars per barrel to 27 dollars between June 2014 and January 2016, driving the fracking branch into a deep crisis. Since then fracking plants in the USA have been closed down and 100,000 jobs cut in the oil industry in Texas alone. ¹² Russia and Saudi Arabia regained world market leadership in oil production in 2016 and displaced the USA. ¹³ It is one of the declared goals of Trump **to promote fracking again on a large scale**.

In the **auto industry** General Motors and Ford were the world's biggest auto corporations in terms of sales revenues in the year 2000 – even ahead of Daimler-Chrysler, Toyota and Volkswagen. While Volkswagen has conquered seventh place among the international supermonopolies, General Motors has fallen to 19th place, Ford to 20th place. There is a similar situation in the **mineral oil industry** or with the **big banks**. It is no coincidence that among the cabinet members and advisers of US president Trump, besides three former generals there are

- three representatives of Goldmann-Sachs (Steven Mnuchin, Gary Cohn, Walter J. Clayton);
- two from the oil industry, among them the former chairman and chief executive officer of Exxon-Mobil, Rex Tillerson;
- Mary Barra, chairman and chief executive officer of General Motors.

They represent the forces of solely ruling international finance capital in the USA which have fallen behind most heavily in the competition, particularly with China, and on this basis have developed especially aggressively.

China with changed strategy

With its agenda "Made in China 2025" **Chinese social-imperialism** has initiated a change of its strategy in the struggle for the domination of the world market. Whereas up to now Chinese monopolies have invested mainly in Latin America and Africa in order to secure raw materials and markets, **investments in Europe with great technological know-how** now are increasing, primarily in Germany. Chinese investments in the EU increased by 77 percent to more than 35 billion euros from 2015 to 2016.

German export offensive on thin ice

German imperialism achieved a further significant shift in the imperialist balance of power in its favor: in 2016 the export offensive of the German monopolies reached record levels with goods sold for 1.207 trillion euros. Imports as well reached a new record of 954.6 billion euros¹⁶; this is equivalent to an export surplus of about 250 billion euros. This export offensive is the economic basis for the strengthening of the worldwide role of German imperialism, for which it has rigorously used the EU as economic and political basis of power – at the expense of other states.

German imperialism has also gained ground in the competitive struggle with US imperialism. From 2012 to 2015 imports from the USA only increased by 1.2 billion euros, while exports to the USA increased by 25.6 billion euros. This is accompanied by significant shifts in the trade relations. Within one year, from 2015 to 2016, China went from fourth-largest to largest trade partner of Germany, while the USA has fallen behind from first to third place. The German export offensive, however, is on thin ice. It also means an extreme dependence on the extremely unstable world economic development.

Politically, Angela Merkel casts herself as "momentarily the most important defender of democracy and Western values". As much as the Brexit has weakened the EU politically, economically and militarily on the whole, the Merkel government at the same time is using the situation in order to strengthen Germany's leadership role in the EU and in the world. The crisis concept of a "two-speed Europe" consolidates the claim to leadership of German imperialism in the EU, together with the weakened states France and Italy.

Growing aggressiveness of German imperialism

Also militarily, German imperialism is extending its position. In 2016 Germany exported arms worth 6.88 billion euros, the second highest result in its history. The concessions made to the demands of US president Trump to increase military expenditures for NATO to two percent of the gross domestic product (GDP) show that Germany and the EU want to bring themselves into position militarily as well in the struggle for the redivision of the world.

However, the government's shift to the right, with the aggressive essence of German imperialism so becoming more evident, has intensified its latent political crisis. It is confronted with growing criticism even in bourgeois circles – of the armaments exports; deportations, mainly to Afghanistan; cooperation with reactionary and fascist regimes like Turkey or Saudi Arabia; abolition of democratic-bourgeois rights and liberties. Also, the myth of Merkel's welcome culture cannot be maintained any longer.

Protectionism and free trade – two sides of the coin

The new aggressive protectionism initiated by US President Trump – with protective duties up to 35 percent – and the cancellation of multilateral free-trade zones are allegedly supposed to restabilize the US-American economy against its rivals. The reworked party program of the MLPD points out that the internationalized state-monopolist relations of production "constantly call the national state into question since it has become an obstacle to the further development of the internationalized productive forces. At the same time, the importance of the national states and of the buildup of their power apparatus grows."¹⁹

The contradiction between the internationalized productive forces and the national-state forms of organization is intensifying in a new quality today. Trump and other ultra-reactionary proto-fascist governments stand for the defense of the claim to power of individual national states with the open fascization of their state apparatus. On the other hand, the USA as well as Great Britain will never be able to make up for their relapse without allies. In this respect this policy might have a short-term success, but in the end it will fail. The Brexit might even lead to the whole "United Kingdom" falling apart, as both Scotland and Northern Ireland already have announced that they are not willing to do the same and want to remain in the EU.

German imperialism's interest in so-called "free trade" – and the resulting conflict with Trump's policy – is dictated by the structure of FRG imperialism, which is based on exports. Along with the aggressive use of world trade to achieve advantages for its competitiveness, the policy of German imperialism is at the same time itself connected with protective duties and other protectionist measures. The website Global Trade Alert, which "watches over" protectionist measures worldwide, currently lists 353 protectionist measures for Germany. The USA is listed with 1281 protectionist measures, India with 656, Russia with 658 and China with 267.²⁰

The praise of the imperialist rivals for the "free market" is directed against protectionism in a propagandistic effort to win over the masses for the imperialist competition on the world market. Those praising most loudly, like Germany and China, are the biggest profiteers.

"Protectionism" and "free world trade" are two sides of the same coin by which the international supermonopolies try to obtain an advantage in international rivalry – in which sometimes one side and sometimes the other side can be in the foreground. Both tactics of imperialist policy, however, are increasingly getting into an **unsolvable contradiction to the internationalized production** and the development of the revolutionary productive forces. So unintentionally these are essential driving forces to destabilize imperialism and to challenge the masses of the world for revolution.

Fluctuating world economy

The fluctuating stagnation in the world economy is continuing to develop unevenly and with a tendency to bigger oscillations up and down. Also the old imperialist countries, which temporarily became the main engine of the world economy again at the end of the world economic and financial crisis in 2014, have begun to stutter. The industrial output of the **USA**, which could slightly surpass the pre-crisis level in 2014 and 2015, is continuously decreasing since the fourth quarter of 2015.

The industrial output of the **EU** has been showing a moderate upward tendency since 2015, but was still 5.6 percent below the pre-crisis level in the fourth quarter of 2016. In Great Britain industrial output in the fourth quarter of 2016 was far below the pre-crisis level with 90.5 percent, in France with 88.5 percent, in Italy with 79.5 percent and in Spain with 76.4 percent; likewise in Japan with 85.5 percent.

A **special feature in Germany** is the growth of the gross domestic product (GDP), which reached 107.9 percent compared to the pre-crisis level in the fourth quarter of 2016. The highest growth rate of the GDP came from finance and insurance output with 3.9 percent and from the information and communication sector with 2.9 percent. The so-called manufacturing sector provided only 0.5 percent. In 2016 industrial output in Germany oscillated around the pre-crisis level with ups and downs of -0.4 percent up to +2.0 percent.

The economic basis of the **new-imperialist countries**, vastly strengthened during the world economic and financial crisis, also **is losing dynamics and power**:

Since 2015 Brazil has been trapped in an economic crisis; in the fourth quarter of 2016 its industrial output was 18.5 percent below the pre-crisis level.²¹

In Turkey industrial output decreased by 2.8 percent in the third quarter of 2016 to what is still 114 percent of the pre-crisis level.

The growth of industrial output in China, showing rates of 6.9 to 12.6 percent from 2008 until 2014, significantly weakened in 2015 with 5.9 percent and in 2016 with 6.0 percent.

In India, where industrial output grew to 122.8 percent of the pre-crisis level in 2015, economic growth has been cooling down since 2016; in the third quarter of 2016 industrial output decreased by 0.9 percent compared to the year before.

Industrial output in South Korea, Mexico and Russia, which exceeded the pre-crisis level already in 2013/2014 with 107 to 108 percent, has been declining since then and was at 103.4 percent in December 2016.

And so, factors are increasing to indicate that a **new overproduction crisis** is in the making.

International structural crisis

The **chronic international structural crisis** of permanent and relatively controlled destruction of capital is also intensifying after the end of the world economic and financial crisis to become a **battle of annihilation for world market domination**. In 2015 the cross-border mergers and acquisitions increased by leaps and bounds to 735 billion US dollars, and in 2016 with 831 billion US dollars maintained this highest level since 2007. Entire sectors, like agricultural chemicals, are getting reorganized; with different mega mergers, 70 percent of the pesticide market and 60 percent of the commercial seeds would be concentrated in three corporations.

Also in the automotive, steel, oil, electronic, telecommunication, retail, shipbuilding, bank and insurance sectors, such battles for the reorganization of the world market shares between the old and new-imperialist countries have been launched.

The growing disruption and decay of the imperialist world system is accompanied by increasing criminal intrigues. There are crises in various countries similar to the VW crisis in Germany, as in South Korea with the close ties between the Samsung corporation and the government there.

The chronic international structural crisis is combining with the **new structural crisis** of the transition from the internal-combustion engine to the electric motor. With their electro-mobility the rising new-imperialist automotive supermonopolies, especially from China and India, are attacking the leading position of the German, European, Japanese and US auto monopolies. The **VW crisis** is spreading to more and more auto corporations and models and is questioning the reputation and sales of entire model series and the diesel engine as such.

Considering this, the transition to e-mobility will become a question of survival in the worldwide rivalry of the automotive monopolies. Especially through the elimination of a large part of the engine components it will involve the destruction of up to 2.7 million jobs. The IG Metall (metal workers' union) estimates that there are around nine million automotive workers in the world.²³ At the same time these plans, of course, depend on whether the necessary huge investments will "benefit" the monopolies from the viewpoint of their profit economy.

Another factor increasing the instability of the world economy is the **explosive expansion of speculative capital in the world economy**. In 2015 worldwide stock market capitalization reached the highest level ever with 76 trillion US dollars.²⁴

Inter-imperialist confrontation

The inter-imperialist rivalry more and more threatens to turn into a phase of open clashes and confrontation.

For the first time after the collapse of the social-imperialist Soviet Union in 1991 a direct confrontation of the imperialist main powers is emerging again, in Syria as well as in Ukraine. This could trigger a third world war; just as could be the case if the conflict between the present great-power USA and the most aggressively rising power China further intensifies.²⁵ Trump is changing his policy in relation to Russia in order to isolate China.

Today China is the biggest oil importer from the Middle East, but does not have a sufficiently large navy to secure its sea routes. One third of seaborne world trade runs across the South China Sea, where there are also big oil resources. ²⁶ In February 2017 the USA started with sea patrols there. "The disruption of these supply routes by a great power would provoke a Third World War." So predicted already in 1983 in the publication *Revolutionärer Weg*, No. 22, *War and Peace and the Socialist Revolution.*²⁷

Trump's chief consultant Steve Bannon stated provocatively "that Beijing and Washington will fight a war in the South China Sea in the next five to ten years." 28

The USA is increasing its military budget accordingly by 54 billion dollars and provocatively strengthening its presence in the Pacific region. 50,000 soldiers are stationed in Japan, 28 500 in South Korea.²⁹ In South Korea a big two-month-long military exercise was started in March 2017 with 300,000 soldiers from South Korea and the USA.³⁰ China's military budget in fact is "only" increasing by seven percent, but the naval forces are being quintupled – which means they are preparing for conflicts in the South China Sea.³¹

Considering these developments, the struggle for peace and the anti-militarist struggle have to be strengthened decisively, and the **building of a new peace movement** has to be promoted. The Internationalist Alliance is distinguishing itself as strictly **independent of** *all* **imperialist powers**. It is a trump card that there is a common consensus in this issue – with all indeed very different forces within the Internationalist Alliance! A third world war has to be prevented – by the struggle of the peoples in close combination with class struggle!

Fascization of the state apparatuses

The aggravation of the foreign policy situation corresponds to an accelerated process of the fascization of the state apparatuses. A focal point is the increased international cooperation of the secret services.

Another is the extension of paragraph-129a/b proceedings against revolutionary forces in Germany, with further arrests. In addition, there is the close cooperation with the fascist Erdogan regime and the tightening of the PKK ban and its extension to include the PYD,YPG and YPJ, which – even according to bourgeois lawyer circles – is against international law.

The banning of those forces who belong to the **most determined fighters against the fascist IS** meets with great opposition. The **authorization** of the Federal Ministry of Justice to **prosecute** the TKP/ML, PKK and further revolutionary organizations must be withdrawn immediately and the relations to the Erdogan regime must be severed!

The environmental crisis is intensifying

The shift to the right of the imperialist governments is accompanied by the accelerated dismantling of measures to protect the environment which were gained in mass struggle. This coincides with a dynamic development of the interaction of the main factors of the transition to a global environmental catastrophe. This process has the potential for a further qualitative leap in the transition to the global environmental catastrophe – with irreversible effects.

Immediately after his election, US President Trump announced the massive expansion of fracking, which he certifies as serving the "energy independence" of the USA and as being an "enormous advantage" for the US monopolies.³² He immediately canceled the construction stop decreed by Obama for the Dakota pipeline, which is supposed to transport oil across American Indian reservations to the USA. As a result, mass demonstrations with the participation of twelve American Indian tribes brought Washington to a standstill on 10 March.³³ On 2 March Trump appointed the "climate skeptic", oil lobbyist and former governor Rick Perry as new energy minister. He wants to abolish the energy ministry. The climate skeptic Scott Pruitt, as new head of the US environmental agency EPA, even wants to abolish his own agency.

The German federal government is also forcing through its policy of environmental destruction: with the scandalous VW intrigues, the rollback in promoting renewable energies, the nuclear deal with the four energy supermonopolies in Germany, the fracking law and the further expansion of brown coal extraction. Last month the Federal Nature Conservation Act was also amended, and a veto right for the transport and agriculture ministries was introduced in case protective rules are to be tightened.

The UN emergency relief coordinator, Stephen O'Brien, warned the World Security Council of a **dramatic famine in Yemen, South-Sudan, Somalia and Nigeria**. In his words, up to 20 million people could starve to death. According to O'Brien, the United Nations currently faces the greatest humanitarian catastrophe since its founding in 1945.³⁴ 500 million children are living in areas threatened by floods. 160 million are affected by heavy droughts.

A new identity of environmental destruction, criminal imperialist wars and fascist oppression is also becoming visible in the causes of the flight of refugees....

Discussion on new-imperialist countries

In the center of international debates is the intensive discussion on the **assessment and conclusions from the emergence of new-imperialist countries**. Starting from publications of the MLPD, this discussion is already taking place in a number of parties. A number of central committees are dealing with this issue, are doing their own investigations, etc....

International workers' struggles

The international industrial proletariat is the leading force in the beginning progressive change of mood. After a temporary decline last year, the struggles have been reviving again internationally since 2017. Even if there were slightly fewer strike days in Germany in 2016 compared to 2015, the number of strikers barely decreased.

The delegates of the 2nd International Miners' Conference (IMC) impressively proved the political importance and strength of the international miners' movement:

- In Egypt and Tunisia miners achieved a temporary abolition of subcontracted labor with their strikes during the so-called "Arab spring".
- In India up to 700,000 miners build the most powerful troop against the anti-labor laws of president Modi.
- In Ukraine a bitter strike against the shutdown of coal mines is taking place against paramilitary forces of the companies' bosses supported by the government....

In our work at our main line of struggle, the struggle for the **extended demands on class consciousness**, as analyzed in *Revolutionärer Weg*, No. 35³⁵, has proven to be exactly right – and has given us several **distinctive and unique features**!

The economists are not interested in the **benefits in kind of retired miners** because they naturally no longer work for the company. However, this question aroused the biggest working-class protest meetings in the Ruhr area last year....

The general social culmination points in the automotive industry and the resulting demands on the working class can only be understood in the context of the development of new-imperialist countries.

Reflecting the objective changes, new varieties of social-chauvinism are sprouting:

The Turkish new-imperialism carries a dangerous split into the working class – more and more, Erdogan supporters operate as denunciators in the companies.

The chairman of the General Works Council at Opel, Schäfer-Klug, welcomes the merging of PSA-Opel as a "chance for a strong European corporation".

In the employee magazine "inside VW" the chairman of the works council, Osterloh, responds to a critical question about the possible destruction of jobs, saying: "Because it is about VW's future, it unfortunately cannot be avoided."³⁶

That confirms Lenin's definition characterizing social-chauvinism as "consummated opportunism"³⁷. It is also the basis of the intensified anti-communist smear campaign, arguing that everyone attacking VW or "their" company was fouling his own nest and destroying jobs. The MLPD takes a clear proletarian class standpoint in this situation.

MLPD – as revolutionary left-wing force

The crisis of the governmental system of the petty-bourgeois mode of thinking is having a general impact in Germany as well. People no longer really believe in the rulers' whole collection of big lies. Whether it is the alleged "peace-loving" foreign policy, imperialist environmentalism, or the class-collaboration policy that allegedly secures sites and jobs.

Almost all petty-bourgeois currents – from the Left Party, the Greens and the left-wing reformists in plants and unions up to revisionists³⁸ – are having trouble because of the social polarization and are partly in an outright crisis....

Leading revisionists are even openly defecting to parts of the imperialist, reactionary and nationalist camp: to Putin, Assad, some even to Trump. For instance,

Klaus Hartmann, member of the German Communist Party (DKP) and federal chairman of the German Freethinkers League, attacks the anti-Trump protest movement as "delegitimization strategy against Trump, aimed at interfering with the most positive part of his announced foreign policy, namely to relieve tensions with Russia."³⁹

This policy characterizes the shift of parts of the revisionists to open social-imperialist positions, which conclusively discredits their leading representatives as allies.

At the same time, it will lead to a huge split within the revisionist camp – and to an openness and a turning of honest forces towards the MLPD; internationally this also applies to ICOR.

It has international political significance that the fight for peace is becoming a crucial field of the shift in the balance of forces – from the revisionists towards the Marxist-Leninists! And the crisis of the autonomous movement is continuing as well.

In this situation the **cards are being reshuffled**, so to speak, and the MLPD is clearly moving more and more into the focus as a **left-wing, revolutionary force**....

- ¹ A reactionary Christian-fundamentalist group that, among other things, denies evolution
- ² www.huffingtonpost.de, 4 February 2017
- ³ Zeit online, 23 February 2017
- ⁴ Spiegel, 24 March 2017
- ⁵ Include the BRICS and MIST countries, Qatar, Saudi Arabia, Argentina, the United Arab Emirates and Iran
- ⁶ World Bank, own calculation GSA e.V.
- ⁷ UNCTAD, own calculation GSA e.V.
- ⁸ ibidem
- ⁹ Speech Delivered by J. V. Stalin at a Meeting of Voters of the Stalin Electoral District, Moscow, February 9, 1946. From the Pamphlet Collection, J. Stalin, *Speeches Delivered at Meetings of Voters of the Stalin Electoral District, Moscow*, Foreign Languages Publishing House, Moscow, 1950, p. 22; http://www.marx2mao.com/Stalin/SS46.html ¹⁰ dpa in Merkur.de, 15 March 2013
- ¹¹ statista.com
- ¹² oilprice.com, 8 June 2016
- ¹³ www.tradingeconomics.com, 6 March 2017
- ¹⁴ Chinese direct investments in Germany and Europe a study of the Mercator Institute for China Studies and the Rhodium Group, June 2015
- ¹⁵ Süddeutsche Zeitung, 8 March 2017
- ¹⁶ Süddeutsche Zeitung, 9 February 2017
- ¹⁷ Deutschlandfunk, 26 February 2017
- ¹⁸ Frankfurter Rundschau, 13 March 2017
- ¹⁹ Program of the MLPD, pp. 31–32
- ²⁰ Die Zeit, 16 March 2017
- ²¹ OECD, own calculation GSA e.V.
- ²² UNCTAD, own calculation GSA e.V.
- ²³ www.sueddeutsche.de, 13 Sept. 2016, own calculation GSA e.V.
- ²⁴ WFE (World Federation of Exchanges), own calculation GSA e.V.
- ²⁵ cf. Willi Dickhut, *War and Peace and the Socialist Revolution*, p. 24
- ²⁶ Deutsche Welle, 19 February 2017
- ²⁷ War and Peace and the Socialist Revolution, p. 34
- ²⁸ In his radio show in March 2016, quoted from *The Australian*, 23 Feb. 2017, TAZ and finanzmarktwelt, 2 Feb. 2017
- ²⁹ N24, 10 January 2017
- 30 Richard Stone: United States & South Korea, March 2017
- ³¹ Süddeutsche Zeitung, 15 March 2017
- ³² https://twitter.com/realdonaldtrump/status/198131842593984515?lang=en
- ³³ http://www.huffingtonpost.com/entry/native-nations-march-washington-dc-us us 58c20238e4b0d1078ca597af
- ³⁴ Huffington Post, 3 Oct 2017
- ³⁵ Book title: Catastrophe Alert! What Is to Be Done Against the Willful Destruction of the Unity of Humanity and Nature?
- ³⁶ Employee magazine "inside VW", 10 March 2017
- ³⁷ Lenin, "Opportunism, and the Collapse of the Second International", in: *Collected Works*, Vol. 21
- ³⁸ Revisionist: a person who seeks to reconcile the fundamental contradiction between capitalism and socialism and still poses as a Marxist or Marxist-Leninist.
- ³⁹ Rote Fahne Magazin, No. 5, 2017, p. 39