**Bring In The Paper, Bring On The Torches**

**1. Cold Comfort**

Encouraged by the headline in the March 12 edition of the *Wall Street Journal* that read "Massive Defaults Produce Rare Annual Dip In Obligations, Clear Ground for Growth," the US bourgeoisie paused from their daily feedings at the public trough, took their lips from the government's breast, checked the status of the batteries on their defibrillators [green=good; gold=gooder], removed their hands from each other’s and everybody else’s pockets [temporarily], bundled themselves in their TARPS and parachutes, and all together and all at once, in a display of unity not seen since the funeral for their idiot-hero Ronald Reagan, selected the exact same tune from their individual IPods [purchased on Overstock.com] and started to lip-synch to their favorite song, to which they knew the words by heart.

Texting, tweeting, facebooking, bluetoothing the lyrics from IPod to IPhone to Blackberry to Droid to Pixie to Touch to Samsung to HTC to Nokia, from hand to handset in a daisy chain of 1s and 0s, living their collective *Life of Brian,* they lipped andsynched…. ***"Look On the Bright Side of Life…"***

But….but when it came to that part of the song, those lyrics—that part about giving a little whistle, they tried and tried. And they couldn't. The bourgeoisie didn't have spit.

Meanwhile, those who had created this golden opportunity, this drip-feed in the hospital bed of capitalist reproduction; those who had been foreclosed upon, put underwater, by the debacle in the mortgage, and mortgage backed securities, markets; those who had lost jobs and received dwindling unemployment benefits; those who had lost their unemployment benefits and relied upon food stamps, food pantries, food charity; those who could no longer meet the tuition requirements of so-called "public" universities; those who wondered why the Federal Reserve could by $1.7 trillion of mortgage backed securities, but couldn't buy *their mortgages*; those who wondered how the government could guarantee $300 billion in debt issued by banks, but couldn't guarantee payment for a single doctor's visit; those… all those and more, hearing that same song, recalling that same movie, they too shared a single thought, "More crucifixions!"

**2. Results….**

***The development of the productive forces of social labor is the* historic task and justification of capital. It is exactly by doing this that it unconsciously creates the material conditions for a higher mode of production. What makes Ricardo uneasy here is that profit—the stimulus of capitalist production and the condition of accumulation as also the driving force for accumulation—is endangered by the law of development of production itself. And the quantitative relation is everything here. – *Karl Marx, Economic Manuscripts, General Law of the Fall in the Rate of Profit.***

Looking at his mates on the crosses near and far, Brian wondered, "How did I get here?" which

struck a chord with our bourgeoisie. Amnesia is the closest the bourgeoisie ever get to self-

understanding. If Brian's arms hadn't been pinned to the crucifix, he might have shrugged his

shoulders. As it was he just kept on singing.

How *did* they *get all of us* here, to this place of dreary acting, poor comedy, and bad music? Way back when…

Increased capital investments from 1992-2000 in the United States drove the rate of return on investment for capitalism as a whole up and then into decline, leading to the recession of 2001-2003. Annual real investment in manufacturing fixed assets had peaked in 1998 at $198.3 billion, and ended 2000 at the $198.1 billion mark. By 2003 the amount had fallen to $147 billion.

Indeed, in 2002, 2003, 2004 capital spending was below the values claimed for depreciation and capital consumption of property, plant, and equipment [PPE]. In the third-quarter of 2001, net PPE for US manufacturing was measured at $1180 billion. A year later, that figure had declined to $1173 billion. By the third-quarter of 2003, the value was $1142 billion, and by the third-quarter 2004, $1101 billion, equal to the net value of PPE in 1999.

In 2003, manufacturing profits began a spectacular recovery. By 2004, manufacturing profits were 12% above their 2000 peak according to the US Bureau of Economic Analysis. On a year-over-year basis, profits in 2005 increased 50 percent. In 2006, they grew another 24.4 percent.

Net capital investment did not increase to the amounts of the prior decade. Increased capital consumption limited net capital spending to amounts half, and three-quarters of the net amount invested in 2000. In fact the amount spent annually has remained below the 2000 mark for every year following. However, replacement and expansion of fixed assets, even on a restricted basis are essential to capitalism.Reduced *net* investment, investment above and beyond that required to compensate for the wear and tear on existing equipment, accompanied by increasing *gross* investment is the result of the previous capital accumulation of fixed assets.

Annual amounts of capital investment had increased more than 40% between 1993 and 1998, but between 1998 and 2000, the increase was less than 2 percent. The mass and the rate of surplus value extraction, the time it took for the worker to reproduce a value equivalent his/her own wage was incrementally improved. The bourgeoisie measure the “value added” in production by measuring the costs of inputs, material, labor, fuel, etc in production and, essentially, deducting those costs from the final realized value of sales.

The accumulated investment in production during the 1992-2000 period, the costs of expanded production reduced the ratio of the mass of surplus value, the "value added" as the Department of Commerce's Annual Survey of Manufacturers calls it, to the total value of the products produced.

In 1998, that ratio of value added to total value measured 48.5 percent.

In 2000, the ratio declined to 46.9 percent.

In 2001, despite reduced capital investment, reduced production worker wages and wage rates, reduced costs of materials in production, the ratio declined again to 46.6 percent.

By 2002, yearly capital investment amounts were 21% below the 2000 peak, and the total wage

expenditure was 9% below that of 2000. The value added ratio improved to 48.2 percent.

The bourgeoisie thought they had found an answer and it made them look, and feel smart. Reduce investment, control costs, and hoard cash.

In 2003, yearly capital investment was 28% below its 2000 peak. Total wage costs declined again. With the rising cost of petroleum, fuels, and energy used in production, however, the value added ratio declined to 47.9 percent. The bourgeoisie were smart and had the answer. The *mass* of value added increased and approached the previous peak of 2000.

In 2004, the steady decline in production workers and production hours offset the minor increase in total wage costs. Again costs of materials in production increased and reduced the value added ratio to 47.3 percent.

In 2005, unable to remain comfortable with increased costs of the material, the fuels, the energy absorbed in production, the bourgeoisie found an old answer waiting for them-- boosting the rate of surplus value extraction through increased capital expenditures. The capital spending amount grew 13 percent. The mass of value added shot up by 10% over the year earlier, exceeding the increases of the 90s. The bourgeoisie had their answer, or so they thought. The ratio of added value fell to 46.6 percent, and was a question put off for another year.

In 2006, capital investment increased by another 10 percent. It had to, as only increased rates of production created the possibility for the mass of value to compensate for the fall in its rate of reproduction. With total wage costs still 6% below those of 2000, the rate of added value reproduction fell again to 45.6 percent.

The US bourgeoisie, knowing better than some that overproduction is not under consumption, that overproduction is exactly as Marx described it-- an overproduction of the means of production of capital unable to exploit labor at a sufficient intensity-- built the recovery of 2003 on basis of reduced capital spending, reduced rates of expansion of the means of production, accumulation of capital as money to be hoarded, or distributed to executives, owners, investors, in a word to its *classmates,* and of course, control of wage rates.

While operating income did recover, something else recovered even more for US manufacturing-- and that was recurring income from non-operating sources. These non-operating sources include interest payments, dividends, royalties, earning from minority interests in other businesses. Prior to the recession of 2001, these revenue streams were about 33 to 40 percent of the amounts for operating earnings. However, after 2004, the size of all other income from non-operating sources increases to 50, then 60, and 70-75 percent of the amount for operating earnings, and accounts for almost 40 percent of *total* income. The US bourgeoisie was earning its money the old-fashioned way-- by making others work productively for it.

At the same time cash, US government securities, and other securities held by US manufacturing companies increased 50 percent from 2003 levels, peaking in the 4th quarter 2007 at $454 billion.

It was a closed fist policy of US manufacturing between 2002 and 2005, building its cash hoard, investing in stock buybacks, awarding dividends.

For capital, rate, speed, velocity *time* is everything. A deceleration in, not just the rate of return, but the growth in that rate, means that more and more time is being consumed between the extraction of *value* and its realization as *profit. Once capital increases the levels of investment in production, any delay in the return on that investment, threatens the core of its existence, expanded reproduction, and delay, relative to investment, was creeping back into capital's rate of recovery.*

*US Manufacturing*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 |
| % change operating revenue | +5 | +4.9 | +6.5 | -20 |
| % change operating income | +16 | +.3 | -12 | -21.3 |
| % change net property, plant, equipment | +5.1 | +3 | +4.4 | -1.12 |
| recovery rate  (ratio of value: net property, plant, equipment to operating income | 3.2 years | 2.91 years | 3.0 years | 4.47 years |

The bourgeoisie were out of answers. The recovery from the 2001-2003 contraction was not at all like the recovery from the 1991 recession. The post 1991 recovery brought reduced input costs to the production and circulation, the reproduction of capital, or rather, reduced input costs for the production and circulation of commodity capital brought about the 1991 recovery. The Surface Transportation Board's Rail Rate Index for the years 1990 through 2004 recorded a 25 percent decline, meaning the rates charged to customers by railroads for moving a ton of freight a mile had declined. But for the years 2004 through 2007, the index recorded a 16 percent increase as railroads sought to offset declining rates of profit by increasing the costs to customers.

Hidden beneath all the noise and clamor of Wall Street, of all the investment bankers at all the trading desks slapping themselves on the back with each new deal-- manufacturing had all ready rung the closing bell in 2007.

Those who didn't hear it couldn't hear it. They were too smart. They were too stupid.

**3. Freeing Andy Fastow, Being Andy Fastow**

What were the bankers, the private equity investors, the hedge funds to do? What *had* they done?

Industry's closed fist, clasped hand policy created the open palm policy of the investment and

commercial banks, the mortgage financing agencies, and the thrift institutions. The only revenue streams that the financiers could tap, that they could attack and divert, were those based on wages and salaries, on the personal income of those working and poor, working and not so poor.

Banks, for one, shifted their "portfolios" from the previous, *pre 2003* 50-50 mix of consumer loans and industrial loans to a 2:1 ratio in favor of consumer loans. The banks and finance companies had to do this in that industry had ceased borrowing. The banks and finance companies, taking a lesson from the government sponsored Federal Home Loan Mortgage Corporation [FMAC] and Federal National Mortgage Association [FNMA], packaged the revenue streams from the consumer debt as assets unto themselves, establishing then not the value of the underlying assets as collateral, but the *service on the debt opposite those assets* as *assets to themselves*, pledging not the encumbered asset, but the *encumbering of assets* as an asset in and of itself. Leverage was the place to stand as finance tried to move the world and bring profits into orbit around its own black hole.

For an asset to function as capital, to be *capitalized*, the asset must circulate in the markets, must appear to buyers and sellers alike as a mechanism, a means, a method for continuing the expansion of value. The expansion of value itself however requires re-engaging labor-power; value restores itself, recharges itself, and requites itself through its exchange, its aggrandizement of wage-labor. Yet the very restrictions, diminution of wage-labor the bourgeoisie had imposed as its "recovery program" reduced the breadth, the expanse of that exchange. The derivatives of

capital's derived life had nowhere to go except into the reproduction of further derivatives. What had been the anthem of capital, "Cash is King," became anathema to finance capital which karaoked its response, "Cash is Trash" Between what had been and what is, the totality of capitalism, *what will be*, is captured— "Trash is King!"

Debt and credit come into being in the moments of capital's transformations from money to productive capital to increased commodity capital to more money. Debt and credit come into being in the delay, the lags, the interruptions, and the dynamic disequilibrium of capitalist production. In this dynamic disequilibrium, this anti-synchronicity, finance, leverage, take on a life not exactly of their own but rather take capital's already expropriated life, the labor of others, as its own. At one and the same time, leverage exists as a bridge to accumulation, and as the fire that burns those bridges.

Capital maintains its identity as capital precisely to the degree that it can command the labor of others, and that it can command others to labor. For finance capital, the arrangement is a little bit different. Finance capital is finance capital to the degree that it commands OPM, other people's money.

If money represents and it most definitely represents the materialization of time as value, the clock parading about as the cash register, then finance is the clock winding down, time running out, and value not materializing. Finance becomes capital disembodied from the production of value and reconstituted as the devaluation of production.

The ideologists of capitalism are paid handsomely to proclaim the rationality of the free market system, where all men are recreated equal by their commodities as buyers and sellers. Finance capital, however, recreates itself in the irrationality of the markets, in the divergence between prices; in the disparity between particular prices and particular values. Arbitrage and hedging are two of the strategies designed to take advantage of the disparity between prices and values in the market, in prices between markets.

Arbitrage and hedges straddle very small variations in these prices. The straddle, "taking a position," has a definite duration which can extend from weeks to months to years. So "simple" arbitrage, simple "hedging," provides a small return over a long term, more or less mimicking the problem besetting industrial capital as its constant, and particularly its *fixed* component grows.

As is the case with all capital, finance capital must accumulate in order to exist. *Valorization* requires expanded reproduction, the mass production of straddles. This expansion of quantity requires that proportionately less money be committed so that the *rate, the ratio* of the "front money" to the market value of the straddles is remains below the *rate of return* that can be captured in the arbitrage, the distinction, the discontinuity between price and value. Consequently, debt reproduces the very same diminished rates of return that beset industrial commodity production. And debt must accrue upon debt in the attempt to capture, redirect, absorb, and distribute a portion of the socially available profit.

The underlying loans—the residential mortgages, credit-card debt, automobile financing,

commercial real estate mortgages—all have periods of duration that exceed the duration of the straddles. As a result, securitization creates a situation where finance capitalism is essentially "borrowing short" and "lending long."

Borrowing short and lending long is the banker's equivalent of "buying high, selling low." The process is one of self-liquidation, self-devaluation, with the devaluation obscured, temporarily, by and in the rapidity of the transactions; in the circulation; in the turnover; in the *"flip"* of the debt instruments.

In order to sustain the ability to "flip," and encumber, more assets, with new and greater debt, the process of securitization must be moved *off balance sheet*, so that the balance sheet *appears* unencumbered. The securitization is spun-off as an independent entity, "the investment vehicle." This entity purchases the packaged securities from the investment bank, the *packager*, with money borrowed from the packager or other lenders. The special purpose vehicle then obtains a rating for the structured notes from one or more of bond rating firms—Moody's, S&P, Fitch—perhaps after arranging for another investment fund, bank, insurer to cover the notional value of the securities with credit default swaps, assuring payment of the face value, or a certain portion of the face value, should the assets backing the asset-backed-securities decline in value, and suffer from reductions in underlying repayment rates.

The use of structured investment vehicles manifests that fundamental market relation—the *as if* existence of debt instruments. The structured investment vehicles perform *as if;* act *as if* they had

a *value* and a utility of their own. These instruments act *as if* the reproduction of more instruments of the same sort is the purpose of material production. Spinning the SIV's into a separate entity is the materialization of this *as if* existence in that the debt standing in opposition to the value of the assets now reappears in capital's circuits *as if* it were an asset unto itself.

The conversion of debt into a tradable asset is neither the cause nor the result of an "irrational exuberance," speculative excess, over-leveraging of the capitalist economy; nor is it Minsky's moment, Mickey's Monkey, Ponzi's scheming, Kondratieff's long wave, Goldman's short selling, your father's day trading or your mother's night at Bernie's. It, the conversion of debt into an exchangeable asset, is a logical, necessary, rational, inherent moment in devaluation of *value*.

It, the conversion of debt into an exchangeable asset, is *fictitious* *capital* only to the extent that *all capital is fictitious* as soon as it loses the power to reproduce itself quickly, and profitably enough.

In moving these special purpose investment vehicles, the boutique shell corporations, "off balance sheet," the bourgeoisie were, of course, reconnecting with their hallowed tradition of maintaining two sets of books. While considered by some small minds to be less than honest, keeping two sets of books by creating off-balance sheet vehicles has been the way central banks, international monetary overseers, legislatures and national treasuries have mediated the problems of capitalist reproduction for years.

Fannie Mae and Freddie Mac were created as "off-balance sheet" vehicles, and even in their rescue have not yet been placed on the US Treasury's balance sheet.

What, after all, is a "bad bank," created by consolidating and reconstituting the impaired assets of a bank or banks, into a single entity, other than a special purpose investment vehicle, an off-balance sheet enterprise?

Capital had traveled a path from asset utilization to asset optimization to asset inflation and from asset inflation to asset liquidation and finally asset denial. *Value* which once upon a time claimed real dominance over men and women's labor through actual accumulation of capital, now proclaimed its marginal utility in the masses of collateralized debt, structured investment vehicles; in its *junk*.

The bourgeoisie were still rich all right, some richer than they had ever been. They were getting rich now not by pocketing the already produced wealth of others, but by liquidating the wealth already pocketed by others.

**4….and Prospects**

**The periodical depreciation of the existing capital, which is one of the immanent means of capitalist production by which the fall in the rate of profit is checked and the accumulation of capital-value through the formation of new capital promoted, disturbs the existing conditions, within which the process of circulation and reproduction of capital takes place, and is therefore accompanied by sudden stagnations and crises in the process of production.***—Karl Marx, Capital, volume 3, The Law of the Falling Tendency of the Rate of Profit, II. Conflict between the Expansion of Production and the Creation of Values.*

Having reduced employment by millions worldwide, reduced compensation costs by billions, mothballed more billions in fixed assets [another off balance sheet maneuver], pumped more money into fewer hands than ever before [never have so few owed so little to so many for so much], written off approximately $2 trillion in non-performing debt worldwide , forced industrial capacity and capacity utilization rates below historic averages and previous lows, the bourgeoisie were *almost* ready to take their hands out of each other's and the government pockets, roll up somebody else's sleeves, and get back to the hard work of accumulation.

Quarterly reports recorded increased earnings for Caterpillar, Whirlpool, and Intel.

After a dramatic decline in the first three quarters of 2009, one that led to AP Moeller-Maersk declaring its first ever annual loss, container traffic had picked up as US exports, and US imports increased in the second half of the year. The FRB's Beige Book found economic conditions "stabilizing," with capacity utilization rates increasing. The Kansas City Fed reported manufacturing output increasing.

And there was more good news. Between 2007 and 2009, cash holdings of the non-financial companies in the S&P 500 increased by fifty percent to a record $930 billion [and that accounts for cash held in the US. Nobody, including the US Federal Reserve and the US Bureau of Economic Analysis is quite sure how much cash these corporations hold outside the US].

Pretty soon bourgeois Brian and friends were more than singing "look on the bright side of life," they were convinced they were seeing  the bright side of life, which was just like seeing the light at the end of the tunnel. Except…

Except *almost* doesn't count, and the light at the end of the tunnel was just a tracer round coming their way. The "off-balance sheet activity" of maneuvering and sequestering encumbered assets into structured investments concentrated the risk of collapse of one sector of capital's network of exchanges, finance, while simultaneously expanding the expanding liability through all of capital's interactions.  The bourgeoisie call this "contagion."  We call it capitalism.

The specific lags and delays, the asynchronous movements and phases of capital's conversions of money into commodities and commodities into money that finance is supposed to reconcile become the inability of finance capital to reconcile the conversions of capital into commodities and money as a whole.

The accumulation of debt, the leverage applied to the economy as a whole is the conversion of the overproduction of capital itself into a trading platform where the liquidation of assets is the object of the trade, where accumulation is decomposition, where realization of value is devalorization.

The notional values of one-quarter of all residential mortgages in the United States are   
  
now greater than the market values of the properties mortgaged.    That isn't just being   
  
underwater, that’s being drowned, carried out to sea, and eaten by bottom-feeding mollusks.

Between them, JP Morgan Chase, Wells Fargo, Citibank, and Wells Fargo hold 2.1 million mortgages with an approximate face value of $600 billion that are more than 60 days delinquent in payments. Nationally, a total of 6 million residential mortgages, once valued at about $1.5 trillion are either 60 days overdue, in foreclosure, or have completed foreclosure and are now in banks' inventories. Banks have yet to write down the losses on half these mortgages.

In 2008, approximately 80% of *commercial* mortgage backed securities coming due were redeemed at face value. In 2009, only 30% of that debt was redeemed at face value.

Junk bonds, so much in favor that they were just recently trading without discounts in the market will require $700 billion in refinancing in the 2012-2014, overlapping with $1.5 trillion in commercial real estate debt that will face restructuring.

The securitization of assets could generate enough friction in the rapidity of its flips to keep itself   
  
afloat as long as finance capital's claims on labor power, on wage-labor, were *senior* to all other   
  
claims on that wage-labor. When those claims cannot, or are not, sustained due to   
  
unemployment, reduced wages, restructuring, due to the foreclosure process itself which   
  
substitutes *collateral*, dead labor, devalued accumulation, for living labor, for expanded   
  
reproduction, for self-replicating value, for valorization, then the respite, the *recovery*, from the   
  
economic contraction is *episodic*, while the *contraction* itself is the narrative, both *theme* and…  *coda*.

The first winds of capitalism's upturn bring something that smells just like 2008 all over   
again. This time, however, it's more than just the brothers Lehman on the verge of collapse.

The bourgeoisie concentrated their non-performing, deadbeat, subprime, delinquent   
assets, all their *junk* *property* and *junk politicians* into their favorite, off-balance sheet   
structured vehicle-- into that ship of bigger fools called the ship of state.  And now, after   
transferring so much of the public purse to the private sow's ears of the bankers, the   
governments had no resources remaining to pay the service on the debt the governments  
contracted in order to act that bigger fool in the first place.     
  
What's worse than holding to the bigger fool theory of capitalist accumulation than the shock of   
recognizing yourselves as the bigger fool?  That's an easy one.  Paying for your own foolishness is worse than being foolish.  And so the bourgeoisie beat the other snare drum in their matched   
set, shifting the beat from subsidy [ours] to austerity [theirs, that being the rest of us]. 

In Greece, Ireland, Britain, Spain, Italy, Portugal, bankers and minister are united in their calls   
for financial responsibility after years of promoting, marketing, irresponsibility.   The financial markets themselves have already called in their markers, with the LIBOR [the London Interbank Offering Rate, the rate at which banks lend money to each other] at the highest level since December 2008 in the wake of Lehman Bros. collapse.    
  
European Union bank issuance and trading of commercial paper [short-term unsecured debt instruments] in the commercial paper money markets, has declined dramatically in the last 3 months.  Positions of foreign banks in the US commercial paper markets, where dollar reserves can be accessed have declined by approximately one-third.  The European banks have moved their reserves into the safety of the European Central Bank.     It is this retrenchment that compelled the US Federal Reserve to reactivate its open-ended currency swap lines with the Bank of England and the European Central Bank.  
  
The LIBOR rate had actually begun its climb in December 2009, as the anticipated, heralded, applauded “recovery” proved conspicuous in its absence. Money being what it is, that is to say *everything* to the bourgeoisie not only talks, it sings, and like a canary in a coal mine. This canary was so busy holding its breath in anticipation of “recovery,” it knocked itself unconscious.

The growth experienced in the fourth quarter 2009 in the US and Europe, slowed significantly in the first quarter 2010. In the United States, approximately half of that reduced growth was attributable to inventory restocking, rather than new orders. More importantly, corporate profit growth also slowed in the first quarter 2010. Most importantly, *revenue growth* slowed, and manufacturing revenues remained below 2007 levels.

2009, which has been the “year of the bond,” as corporations, advanced countries, and emerging market countries attempted to load up on cash to offset the reduced revenues, turned into 2010’s flight from all issues, except US Treasury instruments.

The European Union issued a “rescue package” for member countries that effectively put the entire Union under IMF supervision, as any country seeking access to the funding vehicles will be required to a submit an austerity plan to the IMF before funds can be released.

What is at the core of the EU’s rescue program? It is nothing other than the creation of more

off- -balance sheet funding facilities. Half the notional value of the rescue package has no correlation with actual resources dedicated to the program. Rather, funding needs will be met by special-purpose investment vehicles issuing debt securities guaranteed by the member countries of the European Union.

It’s *as if* the bourgeoisie are victims of their own obsessive-compulsive disorder; as if they were playing musical chairs at a dinner party in a Bunuel movie; where there were no chairs, no musicians, and no one could ever leave.

Whatever comfort the US bourgeoisie might take in the troubles of their compatriots and competitors is tempered by the fact the five biggest US banks, JP Morgan, Chase, Bank of America, Citigroup, Goldman-Sachs, Morgan Stanly all carry exposure, that is to say hold securities, of the euro zone countries equal to 81 percent of their Tier 1 capital. Their exposure to Ireland, Spain, and Italy amounts to 25 percent of their Tier 1 capital.

Austerity appears to the bourgeoisie to be the only solution. Just as expansion means using OPM, other peoples’ money, austerity means other peoples’ austerity. Finance capital, having attached itself to all aspects of social consumption through its collateralized debt obligations, its asset backed securities, its structured investment vehicles, will make its claims not against the value of property, but directly against the social product available for *consumption.*  The sequestered, retired, non-performing instruments of real production and circulation—airplanes, locomotives, ships, trucks—require reduced, not expanded, social consumption. Living labor has to follow dead labor in the upside down world of capitalist expropriation. Wages, income, benefits will be forced below subsistence levels. Finance capital leads advanced capitalism to the most developed expression of its primitive demands. Capitalism finds its future in the past of its xenophobia, austerity, privation, and most importantly, destruction of the means of labor and the laborers themselves.

   
  
  