

STEFAN ENGEL

THE CRISIS OF BOURGEOIS IDEOLOGY AND OF OPPORTUNISM

The Crisis of Bourgeois Ideology, and
the Doctrine of the Mode of Thinking

Part II

The Crisis of Bourgeois Ideology
and of Opportunism

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Editorial Team *Revolutionärer Weg*
headed by Stefan Engel
Schmalhorststr. 1b, D-45899 Gelsenkirchen

*The Crisis of Bourgeois Ideology
and of Opportunism*

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*The Crisis of Bourgeois Ideology,
and the Doctrine of the Mode of Thinking*

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Table of Contents

The Crisis of Bourgeois Ideology, and the Doctrine of the Mode of Thinking

Part II: The Crisis of Bourgeois Ideology and of Opportunism	7
Introduction	7
1. Neoliberalism's Admission of Bankruptcy	11
2. Bourgeois Political Economy – in Shambles	22
3. Ideological Reasons for the Disastrous Crisis Management in the COVID-19 Pandemic	39
4. Neopragmatism as Ideological Foundation of Bourgeois Crisis Management	53
5. The Crisis of Karl Popper's Positivism	61
6. Bourgeois Digitalization Myths and the Hype about "Artificial Intelligence"	73
7. The Progressing Crisis of Reformism	91
8. Neorevisionism as a Futile Response to the Crisis of Modern Revisionism	109
9. Neorevisionist Concealing of Traces by the Communist Party of Greece	121
10. The Ideological Foundation of Chinese Social-Imperialism	126

11. Abdullah Öcalan's Illusion of "Democratic Confederatism"	139
12. Kim Il Sung's <i>Juche</i> Ideology – an Idealist Construct	152
13. Enver Hoxha's Road to Revisionism in Albania	167
14. The Fallacies of the Bourgeois and Petty-Bourgeois Parlor Marxists	178
15. The Crisis of Trotskyism	196
16. The Misery of Postmodernism	208
17. The Renaissance of Fascist Ideologies on a New Foundation	218
18. Conspiracy Theories and Fascist Propaganda	239
Concluding Remark	250

II. The Crisis of Bourgeois Ideology and of Opportunism

Introduction

The second part of the book series, *The Crisis of Bourgeois Ideology, and the Doctrine of the Mode of Thinking*, deals with the essential variants of bourgeois ideology since the reorganization of international capitalist production in the 1990s. In view of the growing capitalist crisis chaos and a widespread ideological disorientation, the emphasis in this second part is on the critique of the *most important opportunist currents of the present day*. Lenin polemicized against opportunism because it means “sacrificing the long-term and permanent interests of the proletariat for flashy and temporary interests.”¹

Opportunism seeks to dissuade the working-class and people’s movements from class struggle and scientific socialism. It exerts a harmful influence on parts of the international revolutionary and working-class movement. Every politically thinking, responsibly acting person must ask themselves today where they stand in regard to the globe-spanning capitalist system. Along with absurd wealth, it produces misery for millions and puts the basis of human life at risk. Does one howl with the wolves then and bury the dream of a liberated society for good, only because socialism had to accept a temporary defeat due to the revisionist betrayal in the Soviet Union or in China? Or does one help the gigantic progress of scientific

¹ “Who Is for Alliances with the Cadets?” Lenin, *Collected Works*, Vol. 11, p. 54

knowledge and practical achievements in social production to break through against the maelstrom of *pragmatism and opportunism*, and join in the necessary revolutionary transformation of society?

It is one of the fundamental tasks of the international Marxist-Leninist and working-class movement to uphold scientific socialism in struggle against all shades of opportunism and to develop it further by thoroughly evaluating positive and negative experiences.

The book begins with a polemic against US philosopher *Francis Fukuyama's* fantasies about the “end of history.” He expressed the wishful thinking of those in power that after the collapse in 1991 of the bureaucratic-capitalist and social-imperialist Soviet Union and the dependent CMEA² economic bloc, capitalism had triumphed over socialism once and for all.

The general crisis-proneness of the imperialist world system, the upsurge of workers' struggles and popular movements, the re-formation of the international Marxist-Leninist and working-class movement, and the conspicuous quest of growing sections of the working class and the masses for a societal alternative show that the masses do not want to sink into capitalist barbarism.

The book goes on to deal with *neoliberalism's admission of bankruptcy*. It shows the shambles of bourgeois economics based on the example of the crisis management of the governments in the world economic and financial crisis of 2008 to 2014. The disastrous crisis management of the German federal government in the world economic and financial crisis since mid-2018 in interaction with the COVID-19 pandemic is subjected to sharp criticism. In particular, its causes in terms of world outlook are investigated.

² Council for Mutual Economic Assistance

Bourgeois crisis management has become the central task of every imperialist and capitalist government. On the basis of unscientific and unprincipled *pragmatism and positivism*, however, it is impossible to really and lastingly solve society's problems.

The ideological struggle against these *idealist and meta-physical theories of knowledge* is especially important because they exert a negative influence on the building of the consciousness of the masses, be it through bourgeois politics, the bourgeois media, the bourgeois education system, religion, or through culture and science.

The book deepens and expands the fundamental criticism of *reformism*, the crisis of which has continued and deepened in Germany since the failure of the Schröder/Fischer government in 2005.

In addition, the analysis and criticism of new variants of revisionism like the *neorevisionism* of the Chinese President and General Secretary of the Communist Party of China, *Xi Jinping*, or the reactionary idealist "*Juche theory*" of *Kim Il Sung* in North Korea are continued. This complex includes a critique of the illusionary *concept of "democratic confederalism"* developed by *Abdullah Öcalan*, the leader of the Kurdish liberation struggle. Also criticized are the negative influences of *postmodernism*, of *petty-bourgeois nationalism* and *social-chauvinism*, of *Trotskyism*, of *Parlor Marxism*, divorced from reality, along with other *petty-bourgeois pseudoradical* or *anarchist / antiauthoritarian* variants. The road to *revisionism* of the Party of Labor of Albania under the leadership of *Enver Hoxha* also is critically examined.

Digitalization's campaign of conquest in production and trade and in all areas of social life has given rise to a whole spate of bourgeois and petty-bourgeois theories. A genuine *hype* was created *around digitalization*. All these theories create new illusions about capitalist reality and oppose the

necessity of a revolutionary transformation of crisis-ridden capitalist society toward socialism. Necessary instead is a sober analysis of how the modern productive forces are developing as the material preparation for socialism, and how, at the same time, they massively unfold their destructive effect in the imperialist world system.

The rightward development of imperialist governments, bourgeois parties and their institutions has reproduced or brought forth new, openly reactionary variants of bourgeois ideology. Apart from *bourgeois nationalism*, *neofascism*, with new organizations, forms and methods, has spread. They have definitely managed in recent years to gain influence on backward sections of the masses, and also among the youth. These openly reactionary currents obtained bigger influence *inter alia* through *conspiracy theories*, which can directly reach the broad masses today through the Internet. Taken all together, this characterizes a *growing danger of fascism*, which must be resolutely opposed from the very outset, politically and ideologically.

The second part of the four-part book series, *The Crisis of Bourgeois Ideology, and the Doctrine of the Mode of Thinking*, entitled, *The Crisis of Bourgeois Ideology and of Opportunism*, builds upon the first part, which was published as *The Crisis of Bourgeois Ideology and of Anticommunism* in April 2021. It concretizes and extends the analysis of bourgeois ideology and its crisis-ridden development, polemicizing scientifically against bourgeois ideology and its harmful effect on the working-class movement. As militant contribution to discussion for the international revolutionary and working-class movement, the book aims at winning over the masses for the proletarian world outlook and revolutionary action. It was written in an organized collective advancement of knowledge by the editorial board of *Revolutionärer Weg*.

Stefan Engel, January 2022

1. Neoliberalism's Admission of Bankruptcy

In 1989 the US philosopher *Francis Fukuyama* prophesied the “end of history”: “liberal democracy” is the “end point of mankind’s ideological evolution.”³

Euphorically, bourgeois ideologues, politicians and journalists took up this questionable thesis and described the triumph of the capitalist social order to the world public in glowing colors.

In reality, merely a unified capitalist world market developed, paving the way for a new period of cross-border investment and bringing in its wake a number of new phenomena and essential changes in the imperialist world system. The term used in the bourgeois public for this, “globalization,” describes this development only superficially and neutrally. It veils the fact that the process of the spiraling concentration of international finance capital acquired the dimension of a *reorganization of international capitalist production* and that a *solely ruling international finance capital* has emerged.

In this situation the economist *Friedrich August von Hayek* (1899–1992) gained a new attractiveness for bourgeois economists. His work, *The Road to Serfdom*, written in the mid-1940s, generally is regarded as a classic of neoliberalism. In it Hayek fights an ideological defensive battle against the attraction exerted on the masses in the entire world by the flourishing planned economy in the then still socialist Soviet Union. He actually maintained

³ *Der Spiegel*, No. 15, 1992, interview with Francis Fukuyama

that the system of private property is the most important guarantee of freedom, not only for those who own property, but scarcely less for those who do not.⁴

What a fine distinction which Hayek forces himself to make with the little words “scarcely less”! The freedom of the capitalists consists in having private ownership of the means of production and using this for the purpose of exploitation. The workers, on the other hand, are left with the “scarcely less” “freedom” to sell their labor power as a commodity to the capitalists for wages that on principle amount to only a fraction of the created value.

In Germany the reactionaries Franz Josef Strauss (CSU) and Otto Graf Lambsdorff (FDP) numbered among the outspoken supporters of Hayek’s economic theory. In the 1980s US President Ronald Reagan and British Prime Minister Margaret Thatcher, known as the “Iron Lady,” invoked Hayek’s writings. His theories served them as justification when they privatized public institutions on a grand scale and rigorously dismantled social gains.

In the 1980s Margaret Thatcher had virtually all state-owned coal mines in the United Kingdom shut down, along with large parts of the steel industry, thrusting tens of thousands of steelworkers and miners into unemployment. The more than 100,000 miners and their families who put up active resistance and went on strike against shutdowns and layoffs for a whole year in 1984 obviously had not read Hayek’s writings. Otherwise they would have realized that they were rebelling against their own “freedom.”

Milton Friedman (1912–2006), US economist and leading ideologue of neoliberalism, followed in Hayek’s footsteps. In 2005 he, too, uses the big word freedom:

⁴ F.A. Hayek, *The Road to Serfdom*, London, 1944, p. 78

We have a freer world because of the collapse of the Soviet Union and the changes in China. ... Everyone, everywhere, now understands that the road to success for underdeveloped countries is freer markets and globalization.⁵

Friedman had such a conceited opinion of himself and his views that he made them out to be general knowledge. “Everyone, everywhere, now understands” – except, of course, the incorrigible Marxist-Leninists, who never could see any attraction in such bourgeois wisdoms of “free markets.”

The economic object of the *philosophy of neoliberalism* was to privatize state-owned institutions and corporations in most countries of the world and open them up as new opportunities for the investment of the surplus capital of the monopolies. *Politically*, the imperialist countries strove to increase their weight in the international power struggle and drove the majority of the neocolonially dependent countries into still more extensive dependence.

German imperialism upgraded formerly state-owned monopolies like Lufthansa, VEBA (Vereinigte Elektrizitäts- und Bergwerks AG), Deutsche Post, or Deutsche Telekom to new “global players” and made them rise into the circles of solely ruling international finance capital. Hundreds of thousands of employees – like cleaners, security personnel, or canteen staff – were replaced by cheaper private services and subjected to intensified exploitation. Worldwide, international finance capital launched a plundering raid on basic public service facilities like hospitals, schools, universities, and even pension insurance systems, electricity and water supply, as well as waste disposal. From then on these were organized on the

⁵ Milton Friedman, “Die Welt ist freier geworden” (The world has become freer), *Handelszeitung*, 7 Dec. 2005; Interview in *National Perspectives Quarterly* (Spring 2006)

basis of capitalist industrial principles and were supposed to obtain maximum profits above all. However, this process also enlarged the ranks of the *international industrial proletariat* and strengthened its fighting power.

At the top end of the reorganization of international capitalist production, a *stratum of international finance capital* formed to which worldwide approximately the 500 biggest monopolies of bank, industrial, agrarian and trading capital belong. The illusions of “freedom” and “prosperity for rich and poor” proclaimed by the apologists of neoliberalism turned out to be a *dictatorship of international finance capital over the politics and economy of the entire world*.

The capitalist accumulation of international finance capital grew by leaps and bounds and across national borders. This induced monopolies and bourgeois politicians and economists to dream of an unstoppable and long-enduring boom. However, the reorganization of international capitalist production involved a fundamental problem which the 2009 brochure, *Bourgeois Political Economy in Shambles*, described in these words:

As long as capitalism could easily expand by including more and more countries in the capitalist mode of production and tapping new markets in this way, it was able again and again to delay the solution of its own inherent contradictions. This historic process is drawing to an end in tendency, because every new extension of the market is quickly overtaken by production, and because the now complete world market is proving to be just as much of a barrier as the restricted national markets used to be.⁶

⁶ Stefan Engel, *Bourgeois Political Economy in Shambles – Some additions to the Marxist-Leninist crisis theory*, p. 23

With the reorganization of international capitalist production the *historical development of imperialism* reached a *relative limit*.

This found expression in a deep *structural crisis*. The international monopolies destroyed millions of jobs worldwide. They unleashed wars, like the NATO war in Yugoslavia in 1999, in order to enforce the reorganization of international production. Destructive exploitation of the natural environment rapidly intensified. The environmental crisis became a new law of the monopolistic mode of production and is perilously accelerating the transition to a global environmental catastrophe. The gap between rich and poor, between decadent abundance and rampant hunger, between imperialist countries and neocolonially dependent countries dramatically widened.

The balance of power among the group of international monopolies and their imperialist states underwent fundamental change. Social-imperialist China aspires to a leading international role as imperialist superpower and is seeking to relegate the USA as currently leading imperialist power to second place. Russia, India, Turkey, Mexico, South Africa, South Korea, or Brazil are further new-imperialist countries which have their sights on a regional or even international leadership role. The struggle of the imperialist countries and international monopolies for the redivision of markets, resources, and spheres of influence increases the *general danger of war*.

The overt crisis of the reorganization of international production

The restoration of a unified world market proved only temporarily to be an outlet for the limitless striving of monopoly capital for expansion, profit, and power. After a brief phase of

revival each time, from 1991 to 1993 and from 2001 to 2003 the world economy already plunged into overproduction crises. The *antagonistic fundamental contradiction of imperialism unfolded on a global scale*: between social, now mainly internationalized capitalist production and private appropriation by solely ruling international finance capital, which is fragmented into many states and blocs.

The hitherto deepest *world economic and financial crisis from 2008 to 2014* for the first time took hold of all old imperialist countries and solely ruling international finance capital as a whole. It combined with an *open crisis of the reorganization of international capitalist production*. The 20 economically largest imperialist states (G20), led by the Obama government of the US, managed to damp down major political tremors in the imperialist countries and in the imperialist world system only with a joint international crisis management.

However, this did not solve the problems by any means.

In view of the threateningly accelerated transition of the global environmental crisis into a global environmental catastrophe, *environmental consciousness awoke* worldwide.

Movements of democratic uprisings against dictatorial regimes in Arab countries⁷ in 2011 were the sign of a cross-border rebellion against the new world order. Hunger revolts in African countries led to general societal crises. The *disruption of state order* became a general characteristic in more and more of the countries dependent on imperialism.

Around the turn of the millennium, in Latin America a cross-border process of revolutionary ferment set in. The signal

⁷ The often used term “Arab Spring” is rejected by the revolutionary organizations there because, contrary to the interpretation by the imperialist USA or EU, the development ended in new reactionary regimes.

for this was given by the national popular uprising “Argentinazo”⁸ in Argentina in 2001. It was followed by the popular uprising against a reactionary coup seeking to overthrow the Chávez government in Venezuela in 2002. In 2003 and 2005 popular uprisings toppled the government in Bolivia.

The book, *Dawn of the International Socialist Revolution*, aptly characterized this development in 2011:

*The mode of existence of the imperialist world system is characterized by a universal proneness to crisis as a result of the reorganization of international production.*⁹

New bourgeois and petty-bourgeois theories to rescue imperialism

The more clearly the disruptions caused by the reorganization of international capitalist production manifested themselves, the more the bourgeois ideologues had to distance themselves from their previous theories and replace them with new theories. Journalist Hermann Theissen vividly described this on “Deutschlandfunk” radio on 25 October 2004:

Global capitalism, Fukuyama promised, best develops its potential for blessing the entire globe with growth and prosperity if it is not disturbed either by laws, tariffs, or by government regulation. According to this logic, governments serve the public good best when they leave the field to the markets. Privatization, deregulation, and withdrawal of the state was the magic formula of the new final historical utopia. ... Today

⁸ The plundering of the national finances of Argentina by the International Monetary Fund and the World Bank devalued the savings of the masses. Several general strikes led to the national popular uprising “Argentinazo” on 19 December 2001, forcing Argentine President De la Rúa to resign the next day.

⁹ Stefan Engel, *Dawn of the International Socialist Revolution*, p. 166

Fukuyama no longer wants to be reminded about the rubbish he wrote yesterday.¹⁰

Pathetic, this zigzag course of bourgeois opinion makers – without a hint of self-criticism, of course! What an absurd idea it was for Fukuyama to speak of the “end of history,”¹¹ where “mankind’s evolution” eventually could reach an “end point.” Humanity will continue to develop until its existence becomes impossible because the sun goes cold.

A flood of bourgeois and petty-bourgeois theories was produced about how humans could get the increasing crisis-proneness of the imperialist world system under control. In most of these theories, illusions about a “*democratization of the state*” played a key role: the state, with all sorts of laws, regulations, guidelines or taxes, should put an end to, or at least impose limitations on, neoliberalism and the uninhibited exploitation of humans and nature by “unleashed capital.” The book, *Twilight of the Gods – Götterdämmerung over the “New World Order,”* comments on this:

The diversity of the petty-bourgeois criticism of globalization is considerable, but running like a thread through all varieties is the *detachment of the economics of imperialism from its politics*.¹²

The imagined separation of politics from economics is pure idealism. The ideological and political superstructure supposedly can freely mold the economic base, the capitalist mode of production, and fundamentally change it by virtue of the pow-

¹⁰ Hermann Theissen, Review of the German edition of Francis Fukuyama’s book, *State-Building: Governance and World Order in the 21st Century*, Deutschlandfunk, 25 October 2004; our translation

¹¹ Francis Fukuyama, *The End of History and the Last Man*, Free Press, 1992

¹² Stefan Engel, *Twilight of the Gods – Götterdämmerung over the “New World Order,”* p. 536

er of ideas, without touching the objectively effective material laws. Accordingly, so the petty-bourgeois globalization critics say, through effective public appeals, political pressure, and changed government majorities a turnabout can be achieved and the imperialist world system can be “transformed into a social, ecological and peaceful order.”

“Ecological and social transformation” has become a popular slogan of the coalition government of SPD, “Greens” and FDP that took office in December 2021. The term “transformation” is supposed to replace the worn-out concept of “reform.”

It is not the pipedreams of the political “transformers,” but the international monopolistic mode of production that determines the life of society. On this mode of production rises the superstructure of the dictatorship of solely ruling international finance capital, the cultural, political and military institutions that operate to guarantee this economic base and, if necessary, fiercely defend it. In order to transform the imperialist profit system into a “social and ecological order,” the imperialist world system must be overcome by revolution. That, of course, can hardly be expected of the propagandists of “transformation.”

The shocks affecting bourgeois economics and ideology caused the leading bourgeois thinkers to indulge in new fantasies. *Klaus Schwab*, founder of the World Economic Forum in Davos, romanticized in an interview with *Zeit Online* on 21 September 2020:

I am convinced that we must redefine capitalism. We must take into account not only finance capital, but also social capital, natural capital, and human capital. Enterprises that want to be successful today must include all these components in their strategy. In particular, because we have to do with a young generation that is much more strongly aware of the neg-

ative consequences of capitalism and unbridled globalization.
It is time to change our thinking.

So the “change in thinking” should in no case involve a serious challenge to capitalism, but only new justifications to a youth critical of capitalism! Klaus Schwab attempts to reinterpret the elemental striving for profit and power in imperialism and make its destructive effect, which threatens the existence of all humankind, disappear behind new definitions. The grandiose improvement of his political economy consists in assigning the processes in society to capitalist categories which allegedly all serve the benefit of humanity: social services are now called “social capital,” the natural environment is “natural capital,” and human labor power is defined as “human capital.”

The bourgeois ideologues are so narrow-minded that they can only imagine reality and human existence as reflections of the capitalist production and exchange process. Schwab implores his readers:

No, capitalism is not the problem. ... I plead not for a system change. I plead for system improvement.¹³

In the romantic soap opera of his “system improvement” a “strong state” is supposed to be the principal actor! The crisis-ridden state apparatuses, of all things, will not make the life of the masses one iota better simply by being given a more modern look.

Author *Lutz Leisering* from the *German Federal Agency for Civic Education* prophesied in 2008 under the heading “Social Globalization? The Emergence of a Global Social Policy”:

¹³ Klaus Schwab, “Der Neoliberalismus hat ausgedient” [Neoliberalism has had its day], *Zeit Online*, 21 September 2020; our translation

Further expansion of a global social policy can be expected in future: development policy increasingly will have a sociopolitical orientation (instead of just being oriented to structural policy), and, with the recent human rights policy, in global politics an instrument has been developed which also effectively supports the social interests of people.¹⁴

The soap opera becomes a tragedy! In the face of the decades-long dismantling of social gains in most countries of the world and 811 million starving and more than two billion undernourished people,¹⁵ to bluster about “further expansion of a global social policy” is like a captain saying that he now sees land again as his ship sinks to the ocean floor.

The sententious proclamation of a supposed social globalization could not prevent the outbreak in 2015 of a *global crisis of bourgeois refugee policy*, which increases in intensity every year. The officially more than 82 million refugees¹⁶ in the world are a major indictment of the conditions created by imperialism in the neocolonially dependent and oppressed countries. The response of the imperialist states to this is rigorous sealing of borders, suppression of the right to flight and asylum for millions, and racist discrimination against those who flee. The imperialist states are neither capable nor willing to practice a humane refugee policy.

In the population there is growing discontent concerning the reality of “globalization.” *Der Spiegel* of 20 May 2020 anxiously reported:

¹⁴ Lutz Leisering, “Soziale Globalisierung? Die Entstehung globaler Sozialpolitik,” www.bpb.de/apuz/31224/soziale-globalisierung; our translation

¹⁵ www.welthungerhilfe.de, 19 November 2021

¹⁶ At the end of 2020, according to the UN Refugee Agency (UNHCR) 82.4 million people worldwide were fleeing, including 48 million internally displaced people.

In a recent *Spiegel* survey, now only 38.3 percent of the respondents say that they view globalization more as an opportunity, while 57.7 percent regard it to be a risk. For comparison: in May 2017 63.5 percent of the respondents regarded globalization as an opportunity and only 38.8 percent ... as risk.

A growing latent crisis of confidence in governments, parliaments, and bourgeois parties has slowly destabilized the capitalist and imperialist countries. The bourgeois ideology of the benefits of “globalization,” along with its petty-bourgeois illusions, has fallen into an overt crisis.

2. Bourgeois Political Economy – in Shambles

Bourgeois economics never was a field that deserved to be called a “science.” It is only suitable for justifying capitalism and bourgeois economic policy. Karl Marx aptly polemicized against the “great beauty of capitalist production,” whose relation of exploitation

the smug political economist ... can transmogrify into one of free contract between buyer and seller, between equally independent owners of commodities, the owner of the commodity capital and the owner of the commodity labour.¹⁷

Whereas bourgeois economics is interested in the *relation between things*, the Marxist critique of the political economy of capitalism investigates mainly the *relations between human beings*. The bourgeois economists at best make contributions to the pseudoscientific obfuscation of the exploitative character of the capitalist production relations. They do gain

¹⁷ Karl Marx, *Capital*, Vol. I, p. 720, Progress Publishers, Moscow

experience about the development of technology, of production and trade, of the markets and exchanges; however, they never penetrate to the laws governing the capitalist mode of production and even vehemently deny their existence. They systematically spin calculated propaganda, which with superficial assessments and questionable prognoses manipulatively distorts reality.

In contract negotiations with the unions, the employers' associations regularly bemoan the disastrous economic situation – regardless how this situation actually is developing. Their sole aim is to keep the workers from raising allegedly excessive wage and salary demands. During elections, on the other hand, they paint the bright picture of a flourishing economy in order to provide propagandistic support to their government of choice. So it is advisable on principle to question the economic forecasts of bourgeois economists and politicians.

The world economic and financial crisis from 2008 to 2014 left bourgeois political economy in shambles. Not one of the international bourgeois economic research institutes and not one imperialist government had anticipated the outbreak of that crisis or even had a vague premonition of the extent, depth, and duration of the economic crash. In the German newspaper *Süddeutsche Zeitung*, economist Gerhard Illing even came to the defense of his colleague professors for their misjudgment of the world economic and financial crisis of 2008:

Just as one can never predict when an earthquake will occur, one cannot predict when a crisis will break out in an economy.¹⁸

The comparison with earthquakes depicts economic crises as inexplicable natural catastrophes that suddenly befall humanity. Consequently, no one must accept responsibility for them.

¹⁸ *Süddeutsche Zeitung*, 14 October 2016; our translation

Correct prognoses of the Marxist-Leninists

In view of the complexity of international economic developments, the political economy of Marxism-Leninism likewise is not able to state the exact time when a crisis will break out. This applies still more to the specific extent, depth, and impacts of the particular crises. Too complex are the interactions with phenomena of nature, with political developments, but also with the development of the class struggle.

However, on the basis of the political economy of Marxism-Leninism, the working class is indeed able to analyze the law-governed course of the crisis cycle and develop correct prognoses. In 2007 the Merkel/Steinmeier government of CDU/CSU and SPD, owing to its self-righteous illusion of a *crisis-free capitalism*, still assumed there would be an “upswing persisting through the year 2020.”¹⁹ The Central Committee of the MLPD, in contrast, in mid-2008 already made out “indications ... of a coming world economic crisis”:

No exact details can be given as to the time – not with this chaotic economy in any case. There probably will be much deeper downward swings than in the preceding world economic crises in 1981, 1991, and 2001.²⁰

Just four months later the crash of the five biggest investment banks of the USA triggered off the, up until then, *deepest world economic and financial crisis in the history of capitalism*.

The correct economic forecasts of the Marxist-Leninists are based on the application of *capitalism’s law of crisis*. Karl Marx generalized it over 150 years ago as the *law of the ten-*

¹⁹ Quoted in *Bourgeois Political Economy in Shambles*, p. 11

²⁰ Dokumente des VIII. (Hamburger) Parteitags der MLPD (Documents of the MLPD’s Eighth Party Congress), 2008, p. 37

dency of the rate of profit to fall. It “expresses the falling relation of surplus-value to advanced total capital.”²¹

To counteract the falling *rate of profit*, the capitalists strive with all their might to increase the *mass of profit*. They expand production as a whole, draw more and more workers into wage labor, increase the degree of their exploitation, or continuously extend their labor time. If the desired profits still fail to materialize because the increased quantity of goods no longer can be absorbed by stagnating markets, the *surplus capital* grows which no longer can be injected into the reproduction process to generate maximum profit. This development gives rise to *cyclical overproduction crises*, usually accompanied by stock market and bank crashes and often closely interwoven with structural crises in the capitalist production and reproduction process. Capital destruction then asserts itself violently, be it in the form of production stoppages, plant closures, mass layoffs, or destruction of goods already produced. The process of production and reproduction can continue, and the circulation of commodities and money can function again relatively smoothly, only when new investments are profitable. Government economic programs can delay the outbreak of the crisis, temporarily cushion it by state measures as in 2018, or artificially maintain the finance flows. But they cannot prevent the cyclical overproduction crisis.

Theoretical justifications of the crisis management

The bourgeois economists try in vain to explain every cyclical overproduction crisis with concrete causes, external conditions, or mistakes of the politically responsible persons. They are incapable of admitting their own failure, let alone

²¹ Karl Marx, *Capital*, Vol. III, p. 214, Progress Publishers, Moscow