

## Keynote Abstracts

### **Michael Hudson**

#### *America Threatens to Self-destruct if Other Countries don't Obey it*

The problem facing the U.S. economy is that its regressive and pro-rentier policies favoring the Finance, Insurance and Real Estate (FIRE) sector has turned it into a high-cost financialized economy with privatized health care and public infrastructure. Yet President Trump dreams of enabling it to compete with mixed economies whose governments subsidize basic needs and services so as to keep down the labor costs that employers have to pay. The only way that the United States can succeed in this strategy is to make other economies equally high-cost and financially overburdened.

U.S. diplomats have focused their threats on more efficient mixed economies, above all China (having already imposed neoliberal policies on most of the eurozone). The aim is to threaten economies that have strong public subsidy of basic needs – or which, like Cuba, Venezuela and Iran, resist neoliberal policies and U.S. financial control of their key sectors – with trade and investment sanctions intended to prevent them from excelling in industries that U.S. trade strategists want to monopolize, above all information technology and military technology.

Other countries are defending themselves from U.S. financial aggression by creating linkages aimed at bypassing the U.S. economy. Such efforts necessarily start by avoiding the use of U.S. dollars, and aim ultimately at avoiding U.S. information technology in order to defend against U.S. Government agencies' routine methods of spying. These defenses require creating a common non-dollarized financial system, including their own alternative to the SWIFT bank clearing system. The U.S. attack on Huawei shows the need for countries to create and regulate their own IT systems. Finally, they must become self-reliant in basic food production, energy and other basic needs so as to protect their economies against U.S. tactics of “pulling the plug” by sanctioning their food imports, oil and gas imports or other basic needs.

This paper explores the main scenarios and how countries may protect themselves from the losing game that U.S. diplomacy is trying to impose on the world, and which it calls “the end of history.”

### **David Laibman**

#### *China: In the Perspective of Historical Materialism*

Much is being written currently about the rise of China as an economic power, and about the nature of China's present-day social, economic and political reality. Most of this literature, however, while richly descriptive, does not seek grounding in an organized, theoretical, framework for the study of social structure and evolution. A rigorous re-development of historical materialist theory, in the Marxist tradition, can

help in situating China's social formation within both the five millennia of Chinese history, on the one hand; and the political economy of the capitalist world system within which China's current development proceeds, on the other. A key finding is that the timeline for thinking about the nature and logic of a country's position and direction of change is itself relative to that country's historical existence — a relativity that is particularly significant for China.

### **Bryan Palmer**

*The Whole World was Watching: The 1919 General Strike and its International Legacy of Class Struggle.*

The momentous events unfolding in Winnipeg 1919 culminated in a General Strike involving 35,000 workers. In this epic class battle, in which both English-speaking workers in organized craft unions and largely unorganized immigrant workers were centrally involved, routine working-class grievances around the right to form unions, bargain collectively, and the hours and conditions of work pitted labour against capital and the state. Set against the backdrop of the Bolshevik Revolution of 1917 and the privations of World War I, Winnipeg's intensifying class struggle in 1919 was recognised around the world as an example of working-class self-activity that would culminate in a vast social transformation in which production for profit would be replaced by production for use. Conscious socialists, who were active in the unions as well as in various ethnic communities, played a central role.

As the struggle escalated, the General Strike mobilization, in conjunction with the animating mythology of 'one big union' of all workers, traumatized employers and the state, who mobilized a repressive onslaught, drawing on animosity toward 'aliens' and all manner of radicals, drawing on a post-war ideology of chauvinism and anti-communism. This resulted in the defeat of the strikers after six weeks of escalating confrontation and the widening participatory democracy of the workers' movement. This keynote address outlines these developments and closes with a reflection on the meaning of Winnipeg 1919, how it relates to the current state of the labour movement, and poses questions about the necessity of recovering the legacy of this historic event and how that might be done.

### **Utsa Patnaik**

*'Austerity' and its Consequences in the Advanced and Developing Worlds: The Present in the Light of the Inter-War Depression*

There are striking similarities in the economic and political developments over the last four decades of finance-dominated globalization, just as there are important differences, when compared to the earlier era of the inter-War Great Depression. The domination of the economic policies of 'austerity' or income –deflation in Europe favoured by finance capital, exacerbated employment and livelihood crises in the inter-War years, and prepared a fertile ground for the rise of fascism. The present era starting in the 1970s with the demise of Keynesian demand management, has seen the dominance of finance-driven neo-liberal policies similarly entailing austerity, income deflation and

unemployment even while spasmodic growth has been sustained through a series of bubbles.

These stimuli have run out now, unemployment and livelihood crises are endemic, and we see the rise of the political right in a number of countries, ranging from authoritarian regimes that are undermining democratic institutions, to regimes discriminating actively against minorities and immigrants while promoting militarism. A much stronger oppositional role could have been played by the political Left but, this paper argues, it has been hegemonized too easily by the misleading theories promoted by global finance capital and has not mounted the required uncompromising challenge to globalization.

The developing world has been differentially and more adversely affected because in addition to income –deflating policies imposed on initially much poorer populations, it has borne the brunt of the North's largely successful attempts to prise open its agriculture to free trade, undermining its food security, pressurized into currency devaluations to cheapen its products, and subjected to new forms of transfer through capital movements entailing their borrowing short, hence dear to lend long, hence cheap. Poverty has risen in reality : the World Bank's and individual governments' poverty reduction claims for the developing countries, constitute an intellectual scam of global proportions since they are based on an illogical method of estimation. The recent growth of united movements of farmers, workers and women are positive indicators of resistance. The complete reversal of neo-liberal policies and implementation of a justiciable system of universal rights to employment, food, healthcare, shelter and education is the only way forward out of the morass.

### **Maria Páez Victor**

*Venezuela: Redefining the State, Repositioning Class Struggle and Asserting Sovereignty*

This paper will address the achievements, the challenges, setbacks and the domestic and international implications of Venezuela's Bolivarian Revolution.

The economic, financial and media assault against Venezuela by the USA and its allies is illegal and immoral, and is a full scale assault on the system of international law that since 1945, has helped limit aggression. However imperfect, international law is the last bastion against an economic system of increasing polarization, undisguised looting and violence.

The USA and its allies, including Canada, covet Venezuela's immense resources. They think these valuable resources should not be determined by the political will of the Venezuelan people, but by the powerful countries and their international corporations. However, this assault on Venezuela is intended not simply to change a regime, but to dismember the nation state and empower anew a comprador ruling class.

However, US aggression is based on a profound misunderstanding of the nation's history. Its long road to independence nurtures Venezuela's collective imagination. Its

political culture, once dominated by a foreign-centred ruling elite, has been radically transformed by the Bolivarian Revolution, which has built a powerful grassroots network of collectives, communes and community councils with close ties to the patriotic army, thus re-defining the state. Venezuela has not only become a powerful force for a Latin American progressive aspirations and future but it has become the centre of a world struggle against globalized capitalism, with key geopolitical implications far beyond its borders. The struggle of the Venezuelan people for their sovereignty will determine not just the future of the region, but in great measure the triumph or failure of XXI century socialism as a viable alternative to the current predatory corporate capitalism. It is redefining the state and the relations between states, not within a framework of corporate market globalization but of internationalism between sovereign nations.