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ON THE POLITICS OF
CAPITAL



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only one to be affected. The same need and the same difficulty exist in the attempt to network and order the three levels: the level of power (I) where the activities of states, corporations and international organisations mingle; the level of national powers (II) in which the economic and industrial base spread out but where social relations have to be reproduced on a daily basis; and the level of small scale production and informal economy (III). However, the dialectical interaction between these three levels does not make a 'System', as they do not work on the same bases or principles. The first is fueled with 'power,' the second with 'profit,' and the third mixes the fluidity of informality with the rigidity of rent. Rents are in turn made more fluid through different forms of – legal or illegal – laundering.

The dynamic of this hierarchical structure is shaped by the participation of all levels in the overall reproduction: level I organises, invests and profits in large quantities; level II innovates and produces in limited quantities; level III thrives within the pores of level II and provides it with a rear base and a multiplicity of experiments, 'alternative' forms, 'solidarity' economy or underground economy (black market, bribery).

Braudel seems to have misinterpreted the fundamental change that occurred in the revolution of capital. For he was a *longue durée* historian, he paid attention to the continuities and tended to overlook the discontinuities. As a consequence, in his view the three levels are separate. At the extreme, they are three different worlds and the top level eventually leeches off the level II of production and exchanges. This could explain his last political statements (his 1979 conclusion of *Civilization and capitalism, Vol. III*) where he stands close to the theories of 'delinking.' In this respect, Polanyi seems to have better grasped the significance of the institutionalisation of the market as a necessary step for a totalisation of capital. But he saw a contradiction between this trend and the future existence of a market that would then lose its dynamic capacity. Both authors have been of some importance but did not live long enough to see the revolution of capital and the new attempt at synthesis at work in the tendency towards the capitalised society.

investors and nationalisation policies (see, again, Montebourg's posturing when he became Minister of Industrial Renewal).

THE ROLE OF 'MARKET ECONOMY' IN THE CAPITALISATION PROCESS

The rules of the market may be regarded as the safeguards of capitalism insofar as they thwart its natural tendencies towards monopoly (or at least oligopoly) that predominate in what we call sector I. They tend to work as a self-limitation in level I and as coordinators in level II. The general network-form, which is currently gaining all productive organisations, should enable the different elements to connect, e.g. the interaction between hierarchic organisation and contractualisation in market relations. However, saying that this market (or the market form, or money) is the number one enemy appears to be abusive, though we may not all agree on this matter [within *Temps critiques*]. The different variants of social-democracy rely on these safeguards when they criticise the ruthless laws of the 'market economy' (left up to the liberals), but join the vision of a 'market society' (the French Left) or a 'social market economy' (the German CDU and SPD).

Capitalism does not invent social hierarchies, it makes use of them. Similarly, it did not invent the market or consumption. As Braudel put it: 'In the long perspective of history, [capitalism] comes as the evening visitor.' The old hierarchies encompass capitalism and provide it with a solid base, allowing it to transcend itself by creating other new hierarchies, which give it its dynamic but also order it in advance. Here again, the automaticity of reproduction does not predominate as the signals do not fully coincide: open softwares and hackers respond to the domination of *Microsoft*; fashionable cooperative games respond to the *Monopoly* (which was invented by an unemployed American); the boom in DIY responds to the retreat of manual work, with 'Castorama, your partner in happiness' pushing for the opening of big box stores on Sundays.

The horizontality of networks and the role played by teamwork in objective-based management challenge the old hierarchical forms of all organisations. Paradoxically, this implies the recreation of hierarchies elsewhere to ensure the circulation between top and bottom, centre and periphery. This paradox becomes a contradiction when the discourse of capital formulates simultaneous but contradictory injunctions, such as the need to regulate, set norms and standardise while inspiring motion, flow and fluidity to 'shake things up.' The modern company is not the

THIS TEXT CAN BE SEEN AS A THEORETICAL COUNTERPOINT to the notes on Capital as power¹ and to the paper 'La valeur n'est pas une catégorie explicative' [Value is not an explanatory category] in this issue (*Temps Critiques No 17*).

Why return to these two points? Probably because we have come full circle. Indeed, while the roll-out of value – especially since the 19th century – had matched with the progressive autonomisation of the economy (Polanyi's 'disembeddedness' in *The Great Transformation*) then to its domination, today's evanescence of this same value makes us feel like we are returning to a prior phase of capital, when classical economic theory did not yet prevail. This is why the issue of force and power (dear to the mercantilist theorists of the 16th and 17th centuries) made a comeback after it was left out in favour of the issues of the origin of wealth (Smith, Marx and the labour theory of value) and of its distribution (Keynes, social democracy and income policies).

What is more, we take from Nitzan and Bichler the notion of capitalisation because we see it as central to the analysis of the revolution of capital. Indeed, this notion appears to be more accurate than the one of 'valorisation', which no longer holds once our developments on 'the evanescence of value' are accepted. In the same way, the notion of 'differential capitalisation' seems more appropriate than 'devaluation,' given the fact that it allows us to understand the current phase not as a decline of capitalism, but as a 'contracted' reproduction where there are losers as well as winners. Last but not least, it highlights the tendency to extend this capitalisation to all human activities and not only to those that affect production or circulation. Thus, one will capitalise his or her experience, knowledge or retirement through a process of quantification extended to all social relations. This is what we call the 'capitalised society.'

CAPITAL AND POWER

First of all, we recall the order of things. The power of finance does not drive the world into crisis. The crisis is the product of the depletion of

1 – Jonathan Nitzan and Shimshon Bichler. 2009. *Capital as power. A study of order and Creorder*. London and New York: Routledge, Ripe Series in Global Political Economy.

the productive forces and of the resulting difficulties in restarting an upward Kondratiev cycle. Such a cycle is the essential base for capitalist growth according to the theory of long-term cycles, which has predominated since the 1930s. Starting from the 1980s, the search for bases for a new cycle did not really succeed, even though numerous economists had thought that the new information technologies would have introduced a new phase of invention able to drive growth as the ‘motor’ industry once did. This conviction was questioned by the paradox of Solow in 1987 on the productivity of ICT. Solow noticed that the introduction of these new technologies were not reflected in productivity statistics. In fact, it seems that for each great new innovation, there is a digestion phase before it produces its effect. Actually, the American economic growth of the 1990s seem to have partially cleared up this paradox, given the fact that global productivity started to increase while labour productivity continued to decrease.² However, these ICT mainly remain means for capital’s connectionism rather than elements for the extended growth of the productive forces. A few external factors – such as the environmental hazard – have pushed for restoring the control of the level I over the overall process, i.e. of the top level capitalism as Braudel put it. This level I capitalism sets up power strategies that should not be confused with the daily tasks of the search for profits. According to Braudel, capital is power: thanks to its power, in particular the financial one, it can dominate from the top and shape its whole development in the long-run without directly integrate the relation of exploitation. We call those ‘strategies of power,’ but they take place in the context of a ‘contracted reproduction’³ that clearly appears through several phenomena as those

2 – According to the neo-classical theory – which became dominant in the 1970s, after the failure of Keynesian policies – technical progress is seen as nothing but a residue. Hence it cannot initiate anything and statistically, economists were satisfied with writing down gains in productivity, but did not connect them with the development of ICT. However, the dominant theory nowadays recognises that new technologies encourage gains in productivity inasmuch as they provide companies with the means to anticipate and organise. In this sense, ICT allow for a pre-confirmation of profits that benefits large companies in priority, as their merging-acquisitions processes are accompanied by organisational innovations (see e.g. the concept of agency cost).

3 – The notions of ‘simple reproduction’ and ‘expanded reproduction’ only make sense within the framework of the labour theory of value. Simple reproduction unfolds at constant productivity and stresses the produc-

ties; by the shameless establishment by the US – the so-called champions of free trade – of a genuine commercial state (while the European Commission tracks down and restrains all European merging attempts on its scale); or by more discreet measures such as the ones that Bérégo-voy granted to large French companies in 1991, with the ‘consolidated global profit’ that allows for profits to disappear under losses (for instance the profits of Renault under the losses of Volvo) in order to minimise the taxes due to the state, the latter will find the money elsewhere or lower its expenses. But as usual, the industrial power of France is at stake! Yesterday Bérégo-voy, today Montebourg and Gallois.

The 2008 crisis has further increased these aspects since large banks, insurances and companies are in the end regarded as institutions and treated as such, while paradoxically, in the whole world, institutions are turning into companies.

The state remains the political stabiliser of this synthesis at work. Although this stabilisation mostly occurs by densifying its networks and ramifications, closely fitting the social relation – there is no more civil society –, and not really through the expression of an authentic national sovereignty. As for the major groups, they provide economic stabilisation by setting up networks, not only with their usual suppliers but also with new subcontractors in relation to outsourcing practices. Even though there are interest conflicts between states and groups as these last are mostly multinational corporations, the interests are often intersecting. See the US military or the current crisis when the British state nationalised banks under a liberal government in order to support the *City*. The recent example of the industrial offensive of the Indian steelworker Mittal shows Europe’s difficulty to integrate the new restructuring scheme on three levels. The countries where the nation-state form was born experience major difficulties in making coincide this restructuring and the transition to the network-state. Europe has let economic organisations originating in its heart organise a competitive deregulation against its national industries, followed by a monetary regulation by a strong single currency with deflationary tendencies. No corresponding political institution was created in parallel to all of this, which makes an obvious difference with the UK for example, or with Japan and the US, not to mention China where state violence can circumscribe or respond to the violence of capital. For lack of setting the cursor at just the right place, France for instance oscillates between total submission to foreign

tion by the administration of things (the domination of the economy, and within the economy, the domination of technical expertise). The states and transnational corporations would then be nothing more than supports for the dynamics of capital. It is not the case. Indeed, we believe to have shown in our analysis of the levels of domination, as well as in our critique of Marx' derivation theory (available on our website¹⁵), that the state, under its new form, has not abandoned its prerogatives and interventions, but that they are only transforming.

A strong impression of power emerges from the hierarchical structure of domination in level I. Nevertheless, the power issue lives on in the notion of sovereignty as well (see the role played by 'sovereign wealth funds').

We have tended to oppose concrete political power or 'class power' in the classist discourse on one side and abstract power of level I networks on the other side, as if the latter was composed only of international organisations such as the IMF, the World Bank, the European Commission, the ECB, euro and corporations; as if the states were settling for a national management of level II, while they actually figure prominently in level I whether by their contribution to these international organisations or by the development of their own business strategies.¹⁶ Furthermore, we often think of flows as if they knew no borders, but migration policies, indirect barriers made by industry standards, are here to prove to us that national barriers remain. Countries such as the UK, Japan and China currently adopt economic strategies strongly marked by sovereignist concerns while more and more experts are betting on a final failure of the euro, as the only possibility to find a responsive flexibility to economic shocks.

This fight for power tightly binds states and major groups, however more in a reciprocal relation than in competition or service. It is an issue of competitive efficiency and the ways are numerous. By massive subsi-

15 – See *Marx, l'État et la théorie de la dérivation* [Marx, the state and the derivation theory]. <http://tempscritiques.free.fr/spip.php?article300>

16 – There are but two fields where France holds a position of great power: atomic energy and culture (cultural exception, temporary show business workers, *les intermittents du spectacle*). In both cases, the role of the state is obvious. It does not serve capital but relies on capital just as capital relies on it. There is a symbiosis in level I, even though there can be divergence or conflict in level II.

of the growth by merger-acquisition rather than by additional capital; the efforts on research and development (R&D), which focus today more on the downstream (communication, advertising) than the upstream (innovations); the prevalence of capitalisation over accumulation (see our reading notes on *Capital as power*). In his own way, Keynes had already anticipated this situation by declaring that a company can function very well in a 'sub-optimal' situation.

Braudel was not the only one to support the theory of the fundamental plasticity of capital. In *The Long Twentieth Century* (Verso, 1994), Giovanni Arrighi also insists on the fact that capital has no ideal form but is always looking for flexibility and fluidity, which leads it to ultimately favour the money form. Before the industrial revolution, capital thus long developed without fully using the potentially exploitable technical progress of the time. This would explain the variety and phases of capital's development. Thereafter, the progressive domination of its industrial productive form led it to contradictions qua social relation between capital and labour, thereby exposing it to the risk of workers' insubordination. But in case of difficulties on this side, its mercantile and financial trends allow it to harness the surplus from other relations. Its domination process is then made indirect. As an economist once said: 'Capi-

tive/unproductive distinction as well as individual stocks. Marx develops this notion in *Capital*, Vol. I and II. The expanded reproduction marks a value that self-valorises through an accumulation of constant capital, constantly gaining ground over the part left for variable capital; a huge increase in labour productivity; and finally this type of reproduction is only conceivable at the level of a reproduction of total capital. This is developed by Marx in Vol. III. Yet, the notion of 'contracted reproduction' is altogether different: it is not related to the law of value but to the new forms of reproduction through the roles played by fictitious capital and by the level I in the reproduction of total capital. The dynamics is no longer the result of the accumulation of constant capital, which is a freezing and a brake – just like landed property –, and of the increase in labour productivity. It now takes its source in the capitalisation of all activities and in the harnessing of resources, which has supplanted the production of wealth as a main objective. The significance of 'environmental' issues only intensify this tendency and the need to force a superior vision at the top. Capital (through the level I) dominates the levels II and III, hence the value. But what is new, as compared to the times that Braudel studied, is that it now rests upon interdependency, networks and connections between the three levels.

talism has several irons in the fire'.⁴ However, the historicising of capital should not lead to the idea of a return of the same. At each step, capital is attempting to create a synthesis, which we must be able to delineate. The two first industrial revolutions have been attempts to unify capital in its productive form. Hilferding and Lenin's⁵ theories on financial capital and imperialism try to give an account of those changes, but as they fail to perceive and describe this synthesis, they remain unilateral. Inhibited by their historical determinism, they see the rising power of financial capital and the imperialist control only as a new ultimate phase of capital development. Moreover Hilferding only mentioned financial capital, not financial capitalism. But the synthesis of that time remained in an incomplete state of reality as compared to the one we know today insofar as back in the time former separations persisted between finance and industry, production and flow, manual and intellectual labour, private and public sphere.

Another essential difference is that military war is no longer the first weapon of power. Control over research-development, information, 'access,' (cf. Rifkin) is more important than conquest itself. Extraordinary events that impose at a particular historical moment and reshuffle the cards had their day. What prevails now is the daily course of capitalisation. Those in charge of it all attract wealth without necessarily producing it. This is indeed what world cities have been doing through the history of capital, long before the rise of capitalism. Many think today that New York is this world city, the centre of commercial, technical, and cultural networks and more generally business circles.

Power no longer operates primarily at the level of the 'surplus product.' In itself, this surplus product is worth nothing if not under the form of power reserve, for instance in the control over R&D or over resources such as gas and oil roads. As power no longer operates at the level of the surplus product, the distinction between productive and non-productive no longer holds. In the capitalised society, everything is productive for

4 – See P. Dockès, 'Croissance : adaptation ou rupture' [Growth: adaptation or rupture], in *Fin de monde ou sortie de crise* [A World's End or A Way Out of the Crisis], Perrin, 2009.

5 – Whereas Marx's analysis takes its roots in the micro-economic level of the individual business (Book I), without competition (he only mentions its primitive and war form), Lenin addresses this issue from his global analysis of a monopolies capitalism.

Quatrepoint (*La crise globale*, Mille et une nuits, 2008) the unfolding of this covert economic war that dares not speak its name.

Japan had turned out to be too arrogant a competitor in some sectors such as the steel and textile industries, and especially in the field of electronic components. Furthermore, a dispute was grafted onto this when the Japanese refused to deliver to the US some components necessary for their military industry. The industrial response was immediate: the US injected billions of dollars in research on these components; then the monetary counter-attack followed by gambling on the value of the \$ and, by exerting pressure on the rise of the Yen, later on strengthened by a downward pressure on Japanese interest rates. The result: an economic tsunami that hardly anyone analyses as an economic war, Japanese economic stagnation being blamed on bad austerity policies with deflationary effects. In practice, Japanese corporations had to relocate to South-east Asia and China, which had become in fact a \$ area, because neither the state nor the companies wanted to touch the large-scale corporate model.

Japanese assets then decreased proportionally to the rise of the yen. Japanese \$ holders then repatriated their assets in \$ in order to invest in stocks and real estate, thereby destroying the Japanese corporate banking model for a riskier Western model, source of financial and real estate bubbles.

What Quatrepoint does not say is that the macroeconomic consequence was a more than ten year long deflation that has undermined a part of Japanese power, even though these companies remain globally successful. Let us not forget that what is said today concerning the future power of China, is exactly what used to be told twenty years ago about Japan!

NETWORK-STATE AND SOVEREIGNTY

When we developed the idea of the nation-state form in crisis (from *Temps critiques No 2* onwards) to the benefit of the network-state form, some might have thought that we moved in the direction of a depoliticisation of the state in favour of a mere day-to-day management of capital on the one hand, and of a rigidification of its regal functions on the other hand, within the course of globalisation.

In this view, power would no longer be an issue, the 'automaton-capital' would dominate and the revolution of capital would accomplish one of the goals of Saint-Simonianism, i.e. the end of politics and its substitu-

determining the debt ceiling rate of 90% of GDP, not to be exceeded under any circumstances. Consequently, today and particularly in the US, experts and leaders urge not to make the debt a crucial issue, especially as they were at the source of its increase. In fact, the revolution of capital has inverted the sense of the debt of the Fordist era: from favourable to the borrowers in the 1960-1970s (companies and households, developing countries), it has become favourable to the lenders since 1979 (increase of the interest rates and struggle against inflation).

Capital is admittedly an abstract entity, but the US and ‘the global financial community’ as put by the Nobel prize in economy J. Stiglitz¹³ give it its figure of near-subject of domination in level I, the top level of capitalism.¹⁴

The power of the US is not a new figure of imperialism, rather It is part in an overall commitment to world order supported by various other powers. The assured solvency of the \$ grants the US its regulator role. This is why *they* take the decisions when it comes to the financial crisis of 2008 or to issues of gas supply. China is currently its main ally, not only because it participates in the financing of US deficit, but also because it acts as an opposition force in Asia, where China dismissed leanings towards an independent Asian zone around the Japanese Yen and based on the European model. China deliberately further extends further the \$ zone, as can be observed after its annexation of Hong Kong where a convertible currency linked to the \$ was imposed, just as in Singapore, in order for the island to keep its central financial position. We have to keep in mind the role of the Chinese diaspora, whose assets are for the most part denominated in \$. We can follow with J.-M.

13 – The current force of modern finance does not reflect a ‘disjunction’ from the economy, nor an essentially parasitic aspect but a power relation.

14 – We have to admit that our two articles on globalisation in the 10th issue of the journal were very inadequate. Two reasons lie behind this inadequacy. The first is that they sought to limit globalisation to a mere extension of the old internationalisation; the second is that this analysis appeared before we developed our more global and more precise approach, that is, before we developed the concept of the revolution of capital and adopted the Braudelian concept of a summit capitalism within a new outline in three levels. We also had difficulties to untangle the relations between the economical and political aspects of globalisation. The two processes are complementary in the sense that they signify the space of capital as well as what is under its control, thus establishing and ordering a geopolitics of capital.

the capital. This is not yet a ‘truth’ for everyone as shown by the example of France, which tried to make profit through the eradication of all that is non productive during its catching-up modernisation period (mainly the 1970s).⁶

This contracted reproduction explains various phenomena such as the priority given to the control over wealth, to competitiveness, and to mercantile financial forms or to seemingly rentier forms while the big network-company is blurring the lines between rent and profit. This is what Nitzan and Bichler⁷ call ‘differential capitalisation.’ In fact, we have to keep in mind that each crisis of capital represents an opportunity for creative destruction as Schumpeter used to say. Those who come out ahead become stronger while the rest are weakened or disappear. Thus, the American leftist critic P. Gowan sees a victory for Wall Street in the aftermath of 2008, as the large American banks ultimately came out strengthened despite – or rather thanks to – the collapse of one of them. Those that resist are henceforth concentrated and are overall recognised as establishments that cannot collapse (Obama’s quip: ‘Too big to fail’). The organisational dimension of corporate power (the new principles of ‘governance’⁸) cannot be equated with that of the Fordist era when J. Galbraith used to describe the ‘technostructure’ and its managers. The new organisation tries to drive out the bureaucracy and the bad fats, refocus on the core business and externalise the rest since there is a maximum struggle for the appropriation of profit shares between competitors, between managers and shareholders, between payers and sub-contractors.⁹ This eventually marginalises the potential labour conflicts

6 – The disappearance of ticket punchers in the subway, followed by the petrol pump attendants, was the most famous example while in the US and in Japan, there is a multiplication of ‘useless’ jobs (e.g. doormen in Japanese companies or hotel bellboys in the US).

7 – Nitzan and Bichler. 2009. *Capital as Power*. Routledge.

8 – The official definition for this ‘governance’ is: a coordination process between actors involved in politics (e.g. from G7 to G20), economy (multinational corporations, Davos WEF) and society at large (unions, NGOs), as well as institutions (ILO) to reach goals that are collectively defined and discussed. This is exactly the activity of the members of top level capitalism (the level I of capitalist domination).

9 – See for example the emblematic conflict between large retailers (Carrefour) and agribusiness (BSN); the reversing relations of domination between IBM and Microsoft; or the Walmart ‘model.’ The 1970s crisis pushed forward two

and the issue of the allocation of added value. Of course wage largely remains a variable and national cost, hence easier to impact on than on fixed or global costs; but despite the trends towards external relocation and internal precarisation, there have to be limits. Wage is not only a cost, it also remains income even when the neoliberal policies favouring the offer seem to carry the day. Evidence for this can be found in Berlin, Beijing and Washington, which have decided to create or raise a national minimum wage (see *Le Monde*, 11 Feb. 2014).

Besides, when the highest costs simultaneously shift to the upstream and downstream of production *stricto sensu*, there is no point in calculating the respective productivity of each factor and thus that of labour. The need for margin calculations, one of the foundations of neo-classical theory, loses its purpose, and this relativises the recurring discourse on the imperative of wage flexibility.

Production is now achieved through integrated systems. With the increasingly organic insertion of techno-science in the production process, technical progress can no longer be understood thanks to Solow, as the new theories of ‘endogenous growth’¹⁰ now take in due consideration. Schumpeter – who was right about the dynamic of capital and the role of innovation – eventually showed too pessimistic concerning the risks of bureaucratic degeneration related to the gigantism of corporations, to monopolistic rent situations and to the disappearance of entrepreneurs willing to bet on the future and thus to invest. The likes of Gates and Jobs certainly exist despite the onerousness of IBM, and ‘mercenaries’ such as Ghosn (CEO-auditor of Nissan and Renault) can put forward their power and declare ‘there is no anonymous automatism,’ in a coun-

types of intermediaries: large retailers as companies have to sell at all costs to compensate the decrease of profits and demand; and finance for the investment credits that the increase of rates and an insufficient self-financing made necessary.

10 – In traditional liberal models such as that of Solow, economic growth varies according to two factors: demographic growth and technical progress, which are said to be exogenous as they appear to be outside the realm of ‘economics’ and seem to be heaven-sent. According to the endogenous growth model, technical progress becomes internal as it results from setting up processes and R&D. The demographic evolution is also integrated inasmuch as the population factor is transformed into human capital.

terpoint to the idea of ‘automaton-capital’ as developed by Marx in the *Grundrisse*.

This contracted reproduction and the tendency to favour control over wealth is not entirely tension-free, both internally with an increase in income inequalities inside each country and externally with the intensification of competition thwarting intra-regional unification processes. First of all at the national level, these inequalities arise through the growing share of income from assets over income from labour, even if it does not bring out a clear-cut class division between owners and non-owners, e.g. more and more employees (or retired employees) combine both types of income with the development of employee savings.¹¹ Therefore, despite what we often hear, we are not dealing with the return of some asset capitalism. Today’s shareholders – who seem to dictate the terms for their return on investment – are not owners but simple right holders who seek to diversify their investments and secure their savings (pensions for instance¹²), which is an additional source of instability. Then, on the international level, surplus countries such as Germany are only so as compared to countries in deficit in the same area, allowing them to rule *de facto* (quality image, economic weight) and by law (e.g. the Maastricht criteria, the common currency). Unions are hierarchically organised – the European Union brings evidence for it.

This tension has a knock-on effect on the issue of the public debts. In fact, in this contracted reproduction, the dominant country is the most indebted one (the US) and it funds this debt by harnessing. However, we are supposed to believe now that the poorest countries within the euro zone are the most indebted! Yet, in this same zone, if we take the situation before 2008, Germany and France, the two major powers, were the most indebted. The cause is to be found in the financial crisis of 2008 and then in the ‘frog trying to inflate itself to size of an ox’ policy of southern European countries and Ireland. This rushed them in great distress as a result of the loss of confidence by traditional lenders. A low public debt was never a criterion of economic health. Some American experts like Rogoff acknowledged their mathematical errors in

11 – What the economists call ‘wealth effect’ and ‘income effect,’ provided by dividends and interests. They are the growth factors of demand, a role that used to be played by wages during the precedent phase.

12 – Today’s largest stakeholder of *General Motors* is the Michigan teachers’ pension fund.