

## California Communism

12-01-17

On November 4<sup>th</sup> several visiting Chinese scholars formed a party branch (those living behind the times call them cells) at the University of California – Davis. No attempt was made to keep it secret – it was announced on the web site of their home university – and when it was learned they must first register as foreign agents it was dissolved. Such branches had been known to exist previously in foreign universities – Britain and Australia have been cited. Trainees from the Peoples Liberation Army National University of Defense Technology have set up 8 branches at foreign universities. A commission that reports to the US Congress has suggested that Chinese state news media reporting from this country should register as foreign agents. So far nothing has come of it.

Outside of academia 106,000 foreign invested firms have party branches, and 70% (750,000) of foreign firms in China have such units. A delegation of German chambers of industry and commerce recently expressed displeasure with having nominal communists among their staffs. Such concern is absurd. China was never other than a Stalinist perversion of communism, and now that they have completed the counterrevolution they merely want to keep their supporters abroad up to date on policy.

A recent article by Cary Huang published in the South China Morning Post, the business paper of choice in ‘communist’ Hong Kong, had this interesting headline: **How ‘Communist’ China has embraced capitalism but remains Leninist at heart.** The contradictory idiocy of its contents says all one needs to know about Marxist political intelligence in China since at least Mao’s death. The author notes that the 100<sup>th</sup> anniversary of the October Revolution passed by almost unnoticed, ostensibly not to embarrass Russia which had totally ignored it. The article does not that it’s rather silly to call a country socialist when 70% of the economy is privately owned and it is host to one of the largest assemblages of billionaires. It’s also one of the most exploitative nation in the world with a Gini coefficient of 0.465 (zero means equality, a one means one person owns all, anything above 0.400 means a high degree of inequality. Khrushchev bragged about catching up to America, well China is just about there in terms of exploiters – the US Gini is just 0.479.

But why does this fool write that “China is now more a Leninist capitalist state than a Marxist socialist one..”? Presumably he was educated in China and should know the facts of communist history; that he knows nothing indicates what sort of pseudo-communism took over China in 1949.

Lenin is one of the great Marxist revolutionaries who following the massive destruction of the economy after the invasion of 14 imperialist armies to overthrow the Bolsheviks and the ensuing civil war supported a temporary program to get the economy back on its feet. Since capitalism had only been recently overthrown many of its operations and personnel were still in place. So they were revived for an immediate and temporary need after which it would be replaced with a full communist program. That he called it capitalism run by communists is no doubt what the author had in mind, but China never was governed by a regime that subscribed to

The Civil War ended in 1920. The New Economic Policy was set up the following year. Lenin suffered his first stroke in 1922. During his convalescence he observed that Stalin's intent was to create a bureaucratic dictatorship. He wrote a testament that was shown to the party leadership – Stalin must be removed as General Secretary and his other high positions. Lenin becomes so hostile to Stalin that he sent him a letter ending all personal relations. Just before the 1924 party congress a recovering Lenin suddenly died. Stalin knew that had Lenin attended and spoke he would be out. According to Trotsky Stalin told the Politburo that Lenin had requested poison in case he couldn't bear to go on it his condition. Likely a cover in case a trace was found after Lenin's death, but that wasn't necessary. Trotsky was sent to the Caucasus for a rest cure. Lenin was poisoned by Stalin. By the time the suspicious Trotsky returns, Lenin was embalmed and his viscera incinerated. As for China still being Leninist – the sleazy author is merely using the name as a cover for Stalinist dictatorship now operating on capitalist principles.

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The National Retailer Federation has altered the way it reports Black Friday sales. Formerly it was announced on Monday, but now it will be linked with Cyber Monday sales because of a major decline in Black Friday results. The NRF merged the five days shopping rather than present separate numbers for the two named selling events and reported that the average adult spent \$350.50 over the five day period. That's 12% more than the three day 2016 Black Friday sales, but 8% below the 2014 three day period, and 14% below 2013. Clearly the 2015-2016 downturn has yet to recover. Of course, the relative weakness of sales was ignored and the markets took the cue to do their part in obscuring reality.

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In 2008 the Hong Kong Hang Seng Index lost a third of its value. Today the index has reached pre-crash heights despite a stagnant world economy. This week China decided to slightly restrict the flow of cash being stuffed into the asset bubble by restricting the sale of mutual funds on the mainland unless the majority of its

portfolio is invested outside of Hong Kong. The Shanghai and Shenzhen markets were linked to Hong Kong in 2014 allowing trading between the three markets. Since then the amount of mainland investment has increased 60 fold. HSI has increased 38% this year but has declined several hundred points since the announcement.

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