

Germany: Victim of the 7th Populist Counterblow

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An enhanced version of the saying that, *the ideas of the ruling class are the ruling ideas*, is that what emanates as ‘truth’ from all the dominant ideological streams of a bourgeois society are generally accepted as such by the masses. When real conditions so differ from what they are claimed to be there is a gradual erosion of trust which if unchecked may lead to a severe crisis in a system and possibly even its collapse.

During the Vietnam War the professed truth was of progress and ‘light at the end of the tunnel’. The Tet offensive exposed the lie and soon there were riots in the streets and a collapse in military morale. The portentous political events around the world are bringing into focus what may be a political and economic crisis of unprecedented proportions. What is truly amazing is that so many world leaders don’t get it. It’s like they are stuck in Groundhog Day always expecting tomorrow to be different even when it never changes. The falseness of ‘recovery’ is known by everyone except by those whose purpose it serves.

Germany was supposed to be the great exception. It was the economic powerhouse of Europe, a huge favorable balance of trade. Merkel expected such a dominant CDU/CSU electoral victory that she wouldn’t have to share power with the SPD. Instead her party pair suffered their worst defeat since they first came on the scene in 1949. The same happened to the SPD. Now they are trying to blame it on refugees – another lie. Genuine prosperity that carries with it hope for a better future would exorcise foreign fright. Material conditions are first and foremost.

Starting it all was Prime Minister Cameron. The scare tactics regarding Brexit is something the ruling classes almost always get away with. Cameron didn’t and was gone. His replacement May was so full of herself due to the barrage of mainstream media good news meant to calm a dangerous situation that she felt voters must credit her with that accomplishment. But the voters detected it was all a lie and instead of gaining a solid majority her ministership was left hanging by a thread.

Then in the US a series of freakish political developments leads to all of the presentable Republican candidates being eliminated, and out of the remaining dreck a phoney populist billionaire buffoon is named the candidate who then goes on to defeat a despicable Democratic candidate precisely because she is officially presentable.

Others are Renzi in Italy who staked his premiership on weakening the democratic process so he would have the power to enact his anti working class neoliberal policies. In France we have the precursor of Germany but there, not only are the official parties decimated a new made-on-the-fly party and candidate becomes President along with a parliament made of his kind. Finally, Greece exposed a crisis of a different sort: that ‘radical leftists’ who are more pro-capitalist than anything to the left of that system are no better than the mainstream trash that they lyingly condemned.

Possible upcoming events of this kind. President and former investment banker Macron of France has a mandate that is a mile wide and an inch thick. What will happen when he pursues his neoliberal policy of reversing the decades of working class material gains? And in Spain the aggressive Prime Minister Rajoy of the Peoples Party, the main remnant of Franco’s fascist party, is physically trying to stop a Catalan vote of independence. The sensible thing would be to just declare it illegal, but to invade the region by an outside force threatens to provoke a physical response. The fascist installed victors in the last civil war were absorbed into bourgeois liberalism rather than punished for their crimes. Possible retribution may be next on the Spanish political agenda.

Total Business Sales, a measure of the economy that, unlike GDP, includes sales on all levels of the supply chain grew 4% in the six month through January 2017. But in the six months through July 2017 grew by less than 1%. A clear example of the persistent slackness of our moribund economy. But at least it led to an inventory build up which is apparently responsible for the 2nd quarter GDP to break through 3%.

The National Association of Realtors reported that the sale of existing homes in August on an annual basis was a seasonally adjusted 5.35 million. That’s the lowest rate of resales since July 2016. The NAR says it’s because of lack of inventory but that shouldn’t occur in a supposedly full employment fully recovered economy. For all the blather from economy promoters it’s clear that the working class detects the shakiness of the system. In addition, if folks won’t sell then construction companies should take up the slack and build, but that sector’s growth is also weak. Supply is weak because builders and seller don’t trust the economy. That same distrust must also be sensed by would-be buyers.

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