

Imperial Recovery and “Disappearing Workers”: Imperialism Expands, Living Standards Decline

By [Prof. James Petras](#)

Global Research, May 25, 2018

Region: [USA](#)

Theme: [Poverty & Social Inequality](#)

Nero played his fiddle, Obama shot baskets and Trump twittered while their empires burned.

What makes empire decay and what makes empires expand has everything to do with their relations between rulers and the ruled. Several factors are decisive. These include: (1) rent, land and housing, (2) the direction of living standards, (3) the rise or fall of mortality rate, (4) decline or rise of families.

Throughout history rising empires incorporate their population to the task of empire by distributing a portion of their plunder to their masses, by providing them with land, low rents and housing. Large scale landlords facing returning young war veterans reduced excessive land concentration to avoid domestic unrest.

Rising empires raised living standards, as salaried employees, workers and artisans, merchants and scribes found employment as the oligarchies expanding conspicuous consumption and expanded the state bureaucracy running the empire.

A prosperous empire is cause and consequence of increases in families, and the growth of healthy and educated plebeians who serviced and served the rulers.

In contrast, declining empires plunder the domestic economy; concentrated wealth as the expense of the labor force, heedless of the diminution of its health and life expectancy. As a result deteriorating empires experience an increasing rate of mortality; homeownership and land is concentrated in an elite of renters living off of unearned wealth via inheritance, speculation, rents which degrades productive work based on skill and knowledge.

Declining empires are cause and consequence of deteriorating families composed of opioid addicted workers suffering from rising inequalities between rulers and ruled.

The US imperial experience over the past century embodies the trajectory of the rise and fall of empires. The past quarter century describes the relations between rulers and ruled at a time of declining empire.

Living standards of Americans have decline precipitously. Employers have ceased paying for pensions; reduced or eliminated health coverage; reduced corporate taxes thus lowering the quality for public education.

Over the past two decades, wages and salaries for the majority of households have stagnated or declined; education and health expenses bankrupting many and reducing university graduates to long-term debt peonage.

Accessibility to home ownership for Americans under 45 years has fallen dramatically from 24% in 2006 to 14% in 2017. At the same time, rents have skyrocketed especially in large cities across the country, in most cases absorbing between a third and half of monthly income.

Business elites and their housing experts divert attention to “intergenerational” inequalities between pensioners and younger wage and salaried employees instead of recognizing rising inequalities between CEO and both workers and pensioners which have risen from 100 to 400 to one over the past three decades.

Mortality rates between the business elite and workers have widened as the wealthy live longer and healthier lives while workers have experienced declining life expectancy, the first time in American history! As the business elites income from profits, dividends, interest increase they can afford high cost private medical care, prolonging life, while millions of workers are prescribed death inducing opioids, to ‘reduce pain’ and precipitate premature death.

Births are declining as a result of the high cost of medical care, the absence of day care and paid maternal or paternal leave. The most recent studies revealed that 2017 experienced the fewest babies in 30 years. The so-called “economic recovery” following the financial collapse of 2008/9 was class based: the real estate and financial elites received over two trillion dollars in bailouts while over 3 million working class households were evicted by financial mortgage holders. The result was a rapid rise in homeless people especially in cities with the highest rate of recovery from the crises.

Homelessness and crowded overpriced rentals and minimum wages are likely causes of declining birthrates and increasing mortality rates.

Imperialism Expands, Living Standards Decline

Unlike the earlier, post WWII decades in which overseas expansion was accompanied by low cost higher education, accessible low cost mortgages and increasing home ownership, and employer paid pensions and health coverage, over the past two decades imperial expansion is based on forced reductions of living standards.

The empire grew and living standards declined because the capitalist class evaded trillions of taxable income via overseas tax havens, transfer pricing and tax exemptions. Moreover, capitalists received massive state subsidies for infrastructure, and cost-free transfers of public funded technological innovations.

Imperial expansion now is based on the relocation of multi-national manufacturing corporations overseas to lower labor costs, increasing the percentage of low wage service workers in the US .

The decline of living standards for the majority is a result of the restructuring of the empire, the advent of the regressive tax system, the redistribution of State welfare transfers from public social spending to private finance and real estate subsidies and bailouts.

Conclusion

In the beginning imperialism involved an explicit social contract with labor: overseas

expansion shared profits, taxes and income with labor in exchange for workers political support for imperial overseas economic exploitation, resource plundering as well as serving in the imperial armed forces .

The social contract was conditioned by a relative balance of power: unionized workers represented the majority of manufacturing, public sector and skilled workers. But this balance of power in class relations was based on the capacity of labor to engage in class struggle and influence the state. In other words the entire imperialism and welfare configuration was based on a particular set of conditional relations intrinsic to the social pact.

Over time imperial expansion faced overseas constraints from rising national and socialist opposition which forced or encouraged corporations it to relocate capital abroad. Imperial rivals in Europe and Asia competed for overseas markets forcing the US to increase productivity, lower labor costs, relocate abroad or reduce profits. The US chose to reduce domestic living standards and relocating abroad.

Labor unions divorced from the broader community movements and lacking an independent political movement, corrupted from within and committed to a disappearing social compact, declined in number and capacity to formulate a new combatative post social pact strategy. The capital class gained total control over class relations and, therefore, unilaterally set the terms of taxation, employment, living standards and, most important, state expenditure.

Imperial military and economic expenditures grew in direct proportions to the decline of social welfare payments. Rival power groups fought over the share of capitalist budgets and political-military priorities. Economic imperialists competed with or converged with military imperialists; free market neo-liberals competed for overseas markets with national militarists pursuing territorial occupations, conquests, closed markets and submissive clients. Rival political power configuration competed over imperial priorities - powerful Zionists configurations sought regional wars for Israel while multi-nationals looked to advance their political-economic expansion in Asia - China, India and Southeast Asian markets.

Competing elite factions monopolized budgets, taxes and expenditures driving labor living standards downward. Imperialist classes formed pacts - but only among themselves - but the quality and quantity of workers decreased - through impoverished health care and, educational systems. In contrast Elite offspring attended the best schools and secured the highest posts in government and economy.

Privilege and power did not produce imperial triumphs. China harnessed educational programs and skilled workers to productive work. In contrast privileged US university graduates sought employment in parasitical lucrative financial positions not in science, engineering and social welfare. Military academy graduates joined networks of 'commanders' who condoned sexual abusers, trained and promoted officers who sent missiles which targeted military bases and bombed population centers and trained naval captains specializing in own- ship collisions.

Ivy League graduates secured high government positions leading the US into endless Middle East wars, multiplying adversaries, antagonizing allies and spending trillions on wars for Israel, not social welfare and higher wages for American workers . Oh yes the 'economy' is recovering.... only the people are doing worse.

*

Prof. James Petras is a Research Associate of the Centre for Research on Globalization.

The original source of this article is Global Research
Copyright © [Prof. James Petras](#), Global Research, 2018

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Prof. James
Petras](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca