Afterword: An outlook in questions and answers

A few questions and answers regarding the future of capitalism and its prosthetics, say in the next fifty years, may be appropriate at the end of this book:

Questions on capitalism

Question I: Will deficient employment-generating spending go away, even while M–C–M′ remains in place?

No. Human existence is stricken with illness and death and the capitalist economic system is stricken with the deficient-producive-spending-syndrome, which expresses the essence of the modern social master drama. The paradise, which Ricardo's Law of Say promises – the closure of any and all circuits – is only possible if all expected productive economy profits are used to buy the productive economy's products, but this is not happening. Rather, wealth needed for circuit closure in the productive economy is perpetually absorbed into a wuthering sterile economy, which implies unemployment in the productive economy. The practice of mankind, to superimpose motives for production of values-in-use with motives of profit-making, while it works powerfully on the one side, unavoidably carries this shadow side.

Question II: Can the dilemmas of funding prosthetics through domestic taxation, domestic expropriation or through redistributive debt be solved?

No. As long as the M–C–M'-world continues, money or other value-in-exchange will be needed to fill the gaps of employment-generating spending or to feed those who remain unemployed. Domestic financing of prosthetic, which consist in claiming existing wealth without repayment (expropriation, taxation) and redistributing it to firms that invest it in the productive economy or to non-owners that spend it consumptively there, are insufficient in terms of achievable volumes and they have strict political limits. At some point they will become socialist expropriations of the present wealth owners, which they will eventually oppose by civil war. Redistributive debt, i.e., debt in a monetary regime without significant money creation, cannot solve the problem either. As money is scarce, there are no creditors who will enable the needed continuous build-up of debt.

Question III: Can the dilemmas of funding prosthetics by means of violent wealth procurement abroad, protectionism, and war be solved?

No. Concerning violent wealth procurement abroad and protectionism: As already stated in the main part of this book, a regression to violent wealth procurement or to protectionism (i.e., colonialist, imperialist, etc.) is no longer promising for the lack of a sufficient number of sufficiently attractive and easy-to-hunt prey in relation to the number and the hunger of predators. The easy prey-regions are only the poorer regions of the world – but meager nutrition will not feed the hungry predators around. This is worsened by the fact that many former prey-countries have become predators or prospective predators themselves, not only the BRICS-states, but many smaller states as well, – and they do not want to regress into "hinterlands" again. If however, developed capitalist countries were to become so desperate to try to turn each other into hinterlands and to directly violently or via protectionism procure wealth from each other, in particular energy and other natural resources, this will very likely result in a large war. Accordingly, violent wealth generation or protectionism, who promise proper booty, would first have to go through a phase of serious war.

War itself, is, now, were things get a little bit more complicated and ambiguous. This is so because wars are not only a means of *funding prosthetics* (enabling violent wealth appropriation or protectionism after they have been won) or to *otherwise ease the implementation of prosthetic policies* but they also change the conditions under which M–C–M' and the economic system will *"naturally" or "capitalistically" operate afterwards*. *First*, already if wars are only planned and long before they may possibly be won, the inputs that must go into their preparation and the warfare for reasons of sheer military necessity are *mega-prosthetics* themselves. If countries with significant armament production enter wars, the warfare will, e.g., greatly stimulate employment-generating spending to the *armament industries*, which spending will be further dispersed to supplier-firms. While this does, obviously, not solve the funding of these efforts yet, already the decision of going to war by itself will greatly ease this funding: The *exceptionalism of war* as such will politically allow to raise taxes, sovereign and other indebtedness, and money creation, far beyond the "normal". *Second*, if major states unleash wars, they will typically *draw along alliance-partners* that will want to or have to follow them. Even larger such follower-states will, then, have to purchase at least some weaponry and equipment from the armament industries of the lead-states; smaller follower-states will practically have to buy the whole of their armament from them. This, too, will channel additional employment-generating spending into the lead-states, which is funded by the follower-states – through their increased taxation, indebtedness and money creation or even through their wealth appropriation in other countries. The lead-states are thereby enabled to *externalize* the funding of some of their new prosthetics. *Third*, even alliance partners of lead-states, who may be able to avoid being drawn in the war themselves, will often have to make silent or open "solidarity" payments to the lead-states, which will equally allow the lead-states to externalize parts of their prosthetics funding. *Fourth*, wars mean destruction and this destruction has become much more effective with modern war technology. This destruction that war delivers goes deeper than just facilitating the funding of prosthetics or politically easing it. Like a natural catastrophe, it rather interferes into *how the post-war economy will "tick" according to its own natural logic*. Wars, thus, change the factors that influence producive spending in their aftermath; they are much like bottles with bank-notes being buried to dig them up later again in Keynes' illustration of prosthetics. War destruction, in particular, significantly raises the attractivity of the productive economy for employment-generating investment in the post-war period by improving the profitability of investment in the productive economy compared to investment in the sterile economy at such later time. Therefore, post-war-periods are often earmarked by a transitory increase in employment and a transitory significant diminishment of the deficient-producive-spending-syndrome; wars not only facilitate solutions – They partially make the problem smaller! *Fifth*, as war destruction also involves the killing of men – may be of more women in the future, too – wars reduce the number of the non-owners depending on employment as salaried workers. They, thereby, also interfere in the modern social master drama via a second path – on the side of the victims of the master drama – by reducing their number, and, eventually, the costs of future prosthetics to maintain them.

We are not saying that politicians consciously run such a cynical calculus if they decide on war. The algorithms they actually use may, in fact, be less rational. Many of them may simply not know what they are doing and later regret what resulted from their decisions. Often, politicians will tend to be overoptimistic in believing that their side will likely win the war – and that the war will be short – and primarily act on the basis of such deceptions. Politicians may also fall victim to their own moralizing speeches, or, more general, their moralistic attitudes. Or they will make their war-related decisions in the same way they decide on everything else – by looking at the anticipated reaction of their party superiors, of the press or of polls. As modern democracy forces career politicians to invent and to parade themselves like products with trademarks and unique sales positions etc., some will also speak up for adamant and aggressive policies because they expect to improve their visibility and achieve career success. If a serious war is waged, its outcome will mostly be more important than all other present issues or the warring parties. For this property wars become a great means to buy time and to hide that politicians (on both sides) are unable to solve other urgent domestic issues. It is great to be relieved of the many burdensome, boring, practical, technocratic but unsolvable tasks and to heroically and "idealistically" rush oneself (and one's fellow countrymen, particularly the soldiers) into the exceptionalism of war. The answer to the question remains that war can neither lastingly solve the deficient-producive-spending-syndrome of the *conditio capitalistica* nor the dilemmas of prosthetics. This, though, may not keep war from becoming more prominent (again) in the 21th century.

Question IV: Can the dilemmas of funding prosthetics through money creation be solved?

No. Money-creation already greatly helped capitalism's evolution when it operated mainly with private bank credit money creation. At the time, state fiat money creation was only a complementary tool, e.g., in wartime or other distress, or a stabilizer and amplifier to private bank credit money creation. The state fiat money gland and state fiat money creation only became the financier of prosthetics of the last resort after 2008. However, it is struck with dilemmas, whether it operates by covert monetary financing (with sovereign debt and central bank debt purchases and holdings) or "overt monetary financing" (without sovereign debt and central bank debt holdings). In both cases it can only solve the problem of procuring the money needed for the prosthetics by creating new money, but this expands the volume of money (as no existing money is taken away from somewhere else). This will be inflationary and will worsen the respective country's exchange rate, which will damage the power of money creation gland of the respective state itself. An economic system, which is built on the fundamental distinction between value (in-exchange) and non-value (in-exchange) may continue to function for some time even if non-values-in-exchange are permanently and massively elevated to values-in-exchange in the form of money. However, the system will never forget about its fundamental distinction. It may be surprised by such in-flows and it may need time to conceive of a reaction; it may also be able to digest significant injections of artificial or even false value before it reacts, *but react it will, at some time or another*. It may stutter, and seek to discriminate "artificial" non-value from "better" value, and to repulse non-value. If that is not possible, as there is only one undistinguishable money, and this money has turned into state managed ration cards or entitlement cards, wealth owners will transition from holding wealth in money or in forms based on money, such as debt, into other assets. This flight will substantially weaken the state fiat money creation gland and reduce it to generate token money for immediate needs, such as paying ongoing social security, even if it is only reluctantly accepted in shops. States must seek to keep their inflation relatively lower and the yield of their bonds relatively higher than in other states, which is in full contradiction to their need of ongoing money creation to fund their prosthetics. Unless states allow their modern master drama to drastically sharpen, they must increase the might of their money creation and of their currency in the international arena. The dilemmas of money creation may, thus, induce states to regress to war and old-fashioned violent wealth procurement and protectionism.

Questions on social alternatives to capitalism

Question VI: Will M–C–M′ be displaced by some kind of a revival of the Middle Ages?

While this question is less weird than it appears to be, the answer is still no – at least for the leading capitalist countries. Nevertheless, we ought not to forget that roughly a thousand years after M–C–M' had come into being, mankind made a serious effort to materially limit its dynamics and to regress to C–M–C', which led to roughly another thousand years of the Middle Ages throughout most of the world. There existed no modern state, no political parties, and no enlightenment at that time. Another credence – religion such as Catholicism, Buddhism, Hinduism, and Islam – provided the ideological stronghold for strangling M–C–M'. It materialized in religious institutions, such as the catholic church, but was also diffusedly imbued in the whole fabric of social relations, e.g., between peasants, lords and overlords. All this proved to be a noticeable check to M–C–M' for the time being and probably in fact resulted in betterment of the lives of the masses of the population compared to antiquity (at least in the heydays of feudalism). As a result, the technological and economic development was, of course, seriously retarded. Whoever, as a state, after M–C–M' rebounded strong in Venice, the other City states of Northern Italy, in Spain, or the Netherlands, continued to opt for an anti-M-C–M'-regime always lost (in wars and competition) – think of Pre-Meiji-Japan, and of how the formerly technologically and economically superior China lost its position after the 18th century. Yet, he who threw themselves into capitalist evolution, Northern Italy, Spain, the Netherlands, the UK, later France, still later Germany, Japan, and, of course, the US, succeeded.

However, this failure of medieval anti-M–C–M'-policies is no guarantee against political forces considering a regression towards it. Catholicism could have appeared to be the most promising bridge back to the Middle Ages in the West, but following the religious wars in 16th and 17th centuries and after the Peace of Westphalia of 1648, if found itself, along with its former protestant enemy, demoted. Religious tolerance, as it was then established, meant that religions fell underneath the state, and religions, consequently were reduced moralizing narration-tellers, philanthropic organizations, or places for spiritual or mystical retreats, but they lost the power to, founded in the unconditional, the all-encompassing and the ultimate, demand radical political and social consequences. Catholicism, in addition, had the bad luck of having its center in regions, in which the economic winners were sitting. Catholicism, or Protestantism alike, can, thus, not become leaders of a regression to new Middle Ages or to any new anti M–C–M'-regime the West.[1]

This remains somewhat different with Islam. Islam, which was dominant between Southern Spain and India in the Middle Ages, although it also knew a schism and fights between the Sunni and Shia since long ago, so far has not had something comparable to the European "Peace of Westphalia-experience". Islam could, thus, not only retain more of its original grip on the unconditional and the supreme level of human existence, but can still more convincingly claim that human existence and society ought to follow its God-pleasing rules. Family, loyalty, honor, trust, smaller and more locally integrated communities, it could argue, instead of exposure to the murderous globalist greed of M–C–M', offer a decent live for every human being. This even, if this life is not necessarily (why should it be?!) symmetrical and equal, but knows different ranks, roles, sexes, etc. Globalization and financialization have revigorated Islam in poorer regions, amongst the local rebellious youth in particular. Without the prospect of becoming a winner under M–C–M'-rules, they embrace Islam as a source of meaning and legitimacy, including as a model for anti-M–C–M' regimes, which are sometimes regionally erected. This even remains true, if such movements rise to organizations or states, which throw terrorist attacks, or cruel and weird regimes. E.g., Afghanistan, which went through a conventional communist-party-led socialist antifeudal and anti-monarchist revolution in the late seventies, after forty years of civil and external war, swung over to a Middle-Ages-and Islam-oriented anti-M–C–M'-regime. The so-called "Islamic State", which ruled in

1 There are, of course, philosophical reactionaries in the West. Like revolutionaries, they are dreamers, but they dream not of a to-be-construed future, but instead of an idealized and euphemized past. Presently, the reactionary version of Anti-M–C–M' is very dispersed in the West. It appears as a contemplative "Kultur-Kritik" of intellectual elites following thinkers like Edmund Burke, Friedrich Nietzsche, José Ortega y Gasset, Nicolás Gómez Dávila, or others. It goes without saying that we should not expect the erection of a new Middle Ages through them in the next fifty years. Fascist parties differed in essence from them as they differed from monarchist reactionaries. Although fascists featured traces of the Middle Ages (with their emphasis on family and local communities, leadership, and allegiance), fascism, ultimately, was a modern mass democratic and, some say, even "socialist" offer (therefore, NSDAP, "National*sozialistische* deutsche Arbeiterpartei" etc.) with the intent to fund prosthetics, as in ancient Greece and Rome, mainly through violent wealth procurement abroad. There exist, today, in the West reactionary Anti M–C–M' dreamers in new right-wing parties, movements and politicians ("Front Nationale/Rassemblement Nationale" in France, "Alternative für Deutschland" in Germany, partially former US-President Donald Trump etc.) but these are not positioned to lead a serious Middle-Ages-oriented regression against M–C–M' for a number of other reasons too.

parts of Syria and Iraq for some months, pointed in this direction too. There are similar movements throughout the Arab world, which, though, have not yet reached state power.

Perspectives for Islamic-anti-M–C–M'-regimes to rise to power exist probably only in poor, undeveloped, and less important areas of the world and such regimes will, very likely, not last. Richer Islamic countries, like in the Gulf region, have long made peace with M–C–M' and have silently re-enacted the "Peace-of-Westphalia-experience" of the West for themselves. In these countries, probably Islam may, ultimately, follow Catholicism suit on its way into social irrelevance. The winners of M–C–M' have taken control and they will certainly not switch to anti-M–C–M'-politics, which they rightly see as a losing-strategy in international geopolitical rivalry. In fact, the smaller, but oil-rich or gas-rich Islamic countries have presently several huge advantages: They do not need a money-press for prosthetics, they only pump oil or gas out of the desert to finance their prosthetics. Furthermore, Islam is still strong enough as a religion to provide social and ideological cohesion, which lacks in most highly developed Western capitalist countries. After all, nevertheless, and most importantly, a rebirth of medieval anti-M–C–M'-regimes is no realistic option for the world.

Question VII: Will M-C-M' be displaced by new socialist endeavors?

No, not in the next fifty years, except for from the ruins of World War III. In the West, the first part of the answer will be willingly accepted. The qualification "not in the next fifty years" may raise some eyebrows as it implies that "socialism" (in a sense that retains resemblance with former socialist projects of the 19th and 20th centuries) may not be a dead dog forever. This is true and there are three main reasons for it: *First*, if the practiced socialist attempts have been unconvincing since the Russian Revolution, the problems that led to "socialism" in general, deficient employment-generating spending and the master drama of modernity, will neither go away nor are prosthetics capable of overcoming them. It, thus, remains plausible for mankind to continue or to recommence to think about a modification or cancellation of the (fictious) social contract that introduced capitalism.[2] Already therefore, it is likely that new generations of thinkers and dreamers may like to conceive of a world again, in which humanity might organize its goods procurement without M–C–M', whether or not it seeks parallels with predecessors in the past, be it Keynes' "cooperative economy",[3] Marxian socialism, or whatever.

2 See on page 132 et seq.

3 See *Keynes*, Collected Writing, volume XXIX, page 67 et seq. He also called it "real exchange economy" (*Keynes*, Collected Writing, volume XIII, page 408 et seq.)

Second, it cannot be denied that *even* soviet-style socialism had somewhat improved the condition of the working classes compared to the profit economies of antiquity or of modern capitalism. It increased employment security – one might say that employment itself became prosthetic as it was wholly detached from the necessity to generate profits – and the access of workers to education, culture, and medical treatment, etc. was palpably improved, including compared to highly developed capitalist countries, e.g., the US. Furthermore, what rendered the Soviet Union's socialist model unattractive for Western workers after World War II – the higher living standards of the elite of employed workers in the rich capitalist countries of the West – may not apply indefinitely. It is also obvious that the Soviet Union started from a less developed scientific, technological, and economic base than the capitalist countries in the West and that Western attacks on the Soviet Union further pushed its economic performance below what would have been possible otherwise.[4] Proponents of future new socialist projects may argue that these impediments would not burden a new socialist endeavor. For this the argument could be made that a novel socialist effort would start from a much higher technological and economic base, which has been created by capitalism in the meantime, and that this base would allow a new socialism to – if more slowly than capitalism – further develop from thereon, in particular if it was a *joint world-wide effort* (all countries being socialist and, hence, without imperial rivalry, military and war) and if reasonable population policies were practiced.

Third, the imprisonments and killings in the Soviet Union, mainly under Stalin, and other longer-lasting restrictions of liberties of speech, press, and culture became convincing arguments against soviet-stye socialism in the West, including for Western workers – especially after the Western culture revolution of 1968. Yet, these bad historic facts, too, may be unable to keep new traditionally socialist projects from the table indefinitely. Closer analysis may show that there were several layers of "repression" in soviet style socialism, which will not all have to re-appear in a future socialist endeavor. Layer 1, though, will definitively have to re-appear: As M–C–M' grows naturally and spontaneously out of exchange by itself, all anti-M–C–M'-regimes, socialism or the Middle Ages, *must always be repressive insofar as they have to repress M–C–M'*. That is not greatly different from Western capitalist countries repressing the application of M–C–M' in particular trades or policing it, e.g., trading in humans (since the end of slavery, not before), trading of human organs, the trading of humans for prostitution, armament trade, the drug trade, etc.

4 Russia, as a largely underdeveloped country, had to go through civil war in 1917, supported by intervention of the West, and subsequently World War II. After World War II, during the cold war, the Soviet Union had to deflect massive resources for armament build up once again.

or from the Middle Ages repressing money lending. Overall, this layer 1 of repression may be seen as no big deal. Layer 2: Anti-M–C–M'-regimes of the socialist type presuppose expropriation of the greatest part of the wealth from the wealth owners. Undoubtedly, the act of expropriation is an exercise of repressive state power, which wealth owners, as we stated repeatedly, will resent. Yet, such acts of repression are not even uncommon in capitalist countries (as nationalizations or taxation witness) and they can take different shapes, even include compensation. Layer 3 is where it gets uglier: Wealth owners will, quite simply, if they can (and they normally can) try to violently oppose their expropriation. This will lead to civil war, political oppression, imprisonment and killings. That type of killing and repression also existed in non-socialist revolutions; in the US civil war anti-slaveholders killed pro-slaveholders, in the French revolution anti-aristocrats killed aristocrats, etc. As bad as it is, such killing is normally accepted by history – and proponents of socialism will argue it is better to go through it once more than to continuously suffer from capitalism, its wars included. Layer 4 of repression in the Soviet Union came into play in connection with counter-revolutionary efforts, which were supported from the outside, such as the intervention of the Entente or the attack by Nazi Germany in World War II. Partisans of a new socialist venture will argue that this layer was not socialism's fault. Layer 5 involves internal repression during the cold war, such as restrictions of freedom of speech, of political organization, of press and culture, including imprisonments, and even killings. That was a kind of worsened and permanent McCarthyism, by which the Soviet Union reacted to its disadvantages in the ongoing financial, economic and ideological competition. Proponents of a new socialist attempt will argue that this situation may not arise again, in particular if the world marches into socialism as a joint project. Layer 6: Ultimately, Stalin killed oppositional fellow countrymen and even his own communist comrades[5] in great numbers. We may also add another layer, Layer 7, in which we might assemble brutalities that either appear irrational as such or follow a particularly reckless military or economic logic, such as famines, the Katyn massacre, etc. [6]

In fact, there is one tradition even in orthodox socialism, which appears to be well-positioned sidestep the criticism of soviet-type socialism altogether: *Trotskyism*. Trotskyism brings two strong elements to the table. Trotsky had essentially taught that socialism "in one country" is impossible and, thus, already 100 years

5 Quite interestingly, a very strong point used to blame communists is to blame them for killing other communists.

6 Many readers may feel uncomfortable with even listing up these points, which must read like excuses. The issue here is not, though, whether they are ultimately convincing and legitimate or not, but whether they are so strong as to lastingly foreclose a political rebirth of socialist projects given that the master drama of capitalism continues to exist and that prosthetic means may dry out.

ago, proffered an explanation not only for why the revolution in the USSR was destined to fail, but also why it would likely revert to repression (which could be unneeded if a socialist society was erected more or less simultaneously in many countries). Second, no other Russian revolutionary has a more pronounced and credible history of being anti-Stalin than Trotsky (killed by Stalin in Mexico-City).

If still no new socialist venture is likely to become a major political proposition in the next fifty years, except for the terribly case of a new World War, this is so for the following reasons: The world, in which a "workers and farmer's paradise" was attractive for workers, is no more. Today's "working class", notwithstanding its continued existence as a social economic class of non-owners, does not feel like a social class any more. Workers do not aspire to socialism any more, if they ever did in their majority. Some, who are rather well of, feel superior to others who receive transfer payments or live a precariat life. Others, worse, are marginalized and move in the shadow, become alcoholics, addicts to opiates, get sick, and die early. There was a great decay of working-class identity, working class culture, and working-class organizations for decades. E.g., trade-unions, social democracy, socialist and communist parties, if they still exist at all, are often irrelevant and their remnants have changed their profile towards general human rights policies, ecology, gender, anti-racism, etc., and are hard to distinguish from other present parties. Large working-class areas in big capitalist cities near huge factories or mines no longer exist and nobody is there to eventually lead workers to a serious socialist effort. Occasionally erupting revolts, such as of the "Gilets Jaunes" in France, "Podemos" in Spain, or SYRIZA in Greece are no substitute – and they do not last. Finally, of course, wealth owners, to whose disadvantage any socialist project would be, are as powerful as ever. They would, once more, fight fiercely against their expropriation and against anti-M–C–M'-policies. But all that does not exclude that a new socialist project may remerge, say after fifty years, if in completely new forms and shapes, because the social master drama of modern capitalism still continue to exist.

Question VIII: What about China?

China is run by a communist party, yet as there is significant factual private property in means of production and M–C–M', its economy is capitalist. China's historically singular growth over the last decades has been enabled by an especially powerful capitalist dynamic under a very successful planning catch-up leadership of its communist government. The Chinese people's rich intellectual and culture heritage and their ambition to, after being demoted and insulted by colonial powers in the 19th century, return to the technological and economic top of the world, it had held between 200 BC to 1800 AD, certainly contributed to this performance.

The catch-up dynamics of original capitalism were complemented by protectionist policies, taxation and, other prosthetics, yet initially only moderate debt build-up. Since the aftermath of the financial crisis of 2008, China is now catching up in indebtedness, too, and using prosthetics funded by money creation. So far, the modern master drama has not yet posed a particular challenge. Rather, Chinese workers have experienced a significant improvement of their income and living conditions, including former rural laborers that migrated to more industrialized regions or to big cities. Whether China's efforts to switch from an investment-driven to a consumption-driven economy, as the communist party announces since some time, will succeed and allow to uphold this situation, is uncertain. It would basically mean to substitute investive employment-generating spending, which was prosthetic in part, by consumptive employment-generating spending, which would also have to be prosthetic in part. We remember that since the early 20th century many economists, e.g., Tugan-Baranovsky and Keynes, saw a necessity to substitute deficient consumptive spending by investive spending; China appears to now consider just the opposite direction. The feasibility of this transition will depend on whether higher producive consumption spending of lower income strata can be funded without simultaneously canceling out the profitability of firms. Under the rule of the deficient-producive-spending-syndrome this appears straightforwardly impossible. The only alternative remains to fund the higher consumption through prosthetics. Yet, increased confrontation with the West and between Russia and the West will likely loosen the connections between China's economy and the West and reduce China's chances to sell its output in the West. By the same token, China may lift new synergies from cooperation with non-Western countries and find new markets there, yet that may not suffice to compensate for the loss of Western markets. In the aggregate, we shall likely see a world economy more broken up into blocks with generally less access to producive spending from outside of the own block. Someday, China too, will, thus, much more than today, have to face the deficient-producive-spending-syndrome and resort to prosthetics to deal with the modern master drama. Its main options, as everywhere in today's world, shall be the build-up of debt and money creation, with a significant part of the prosthetic spending increasing its military spending. The funding of the prosthetic spending will lead into the known dilemmas of these prosthetics.

The widespread feeling of a rebirth of a grand nation, socialist tenets, and communist party rule, which greatly simplified the making and execution of decisions, jointly facilitated the capitalist catch-up of China over the last thirty years.[7] It is rather likely that these will continue to be helpful and to maintain social cohesion if the modern master drama becomes more poisonous. China should, in particular,

7 Note by comparison that when the UK, France, Germany or Japan experienced their original capitalist growth period they were *no* democracies as well, certainly not in the present sense of the word in the West.

remain better positioned to demand sacrifices from wealth owners *and* from workers than, e.g., in the US or West Europe.

The lack of significant private bank fractional reserve credit money creation, the lack of a functioning banking system steered by a central bank and the lack of functioning state fiat money creation had materially contributed to China's decay in the 18th and 19th century. Undoubtedly, similar deficits had expedited the collapse of the Warsaw Pact states in the 90ties of last century, China and the Warsaw Pact states then suffered especially badly under the impossibility to pay international liabilities out of money created in their own currencies. China appears to be on track to now overcome this restriction, which would greatly enhance its power of funding its prosthetic spending.

We should also expect that China's communist party will run the Chinese economy and state less ideologically and more pragmatically than the Russian Communist party did in the last century and that China will not sacrifice economic and political effectivity on an altar of socialist anti-M–C–M'-credence. This does not yet answer the question whether the Communist Party of China still seriously pursues the erection of a Marxian style socialist society (like the former communist party of Russia or the communist party of Cuba etc.), or whether "communism" has become just a label for a party dynasty that primarily pursues nation rebirthing, economic development and dynastic and national self-assertation. This question may remain undecided for some time ahead.

Questions on future options and the role of politics

Question IX: Where will deficient employment-generating spending and the dilemmas of prosthetics drive the world in the next fifty years?

If several possibilities exist, it is a legitimate guess that history may try them all out, it not neatly separated, one after the other, but, erring back and forth and interrupting its attempts into one direction with new attempts into another. This may not be different if *no* real way out exists. We may then see an oscillation between these non-possibilities. This is particularly so, as all of these non-solutions will, if they remain caught in dilemmas, continue to contain at least some trace of prosthetic potential. In fact, through destructions that they cause, if pushed to extremes, they may even temporarily improve the conditions for circuit closure, e.g., in restart-booms after wars or currency reforms. The unending erring may thus even partially mitigate the original deficient employment-generating spending and re-create an illusion of manageability of circuit closure.

We have gotten to know three main directions that prosthetics can take, first, violent wealth procurement and protectionism, second, taxation and expropriations, which in the extreme, leads to socialism, and, third, expansive debt financing and money creation.[8] If we consider them in a row, we get:

Assume, first, an attempt to fund prosthetics through violent wealth procurement and protectionism. The preparatory armament build-up, e.g., funded by higher taxation, greater debt build-up or more money creation, will already improve circuit closure of the respective country. The more attractive the intended prey, the more likely it is that a serious war breaks out. If this occurs, the consecutive warfare will necessitate further massive employment-generating spending, which is financed by, once again, higher taxation, greater debt build-up, and more money creation. If the war is over, the reconstruction of infrastructure and houses will bring about greater production for fewer employment seeking workers (because of war killings), which will, once more, lead to increased employment-generating spending and even, likely, to post-war booms. There may be debt jubilees and currency reforms during or after the war, which will greatly facilitate the situation. War and after war booms will be based on original employment-generating spending and on additional state-financed prosthetic spending funded by taxation, new debt build-up and money creation. If the war has a winner, he will thence also use violent wealth procurement and protectionism.

Assume, second, high taxation and expropriations of wealth owners and anti-M–C–M'-reforms are implemented and glide into some neo-socialist drive. That will initially also allow the additionally collected taxes and the proceeds from the expropriations to be spent prosthetically. There may also be some additional redistributive debt or money-creation that finances prosthetics. During the time of the anti-M–C–M'-expedition, though, firms will most likely omit or postpone investments altogether, which they would have carried out otherwise. After the anti-M–C–M'-reforms have failed and a pro-M–C–M'-government is re-established, firms will catch up on the omitted or postponed investments and this will increase original employment-generating spending again. It is obvious that the first development's prosthetic effects – centered around violent wealth procurement, protectionism, and possibly war – will be much stronger than those connected to an (unlikely) renewed socialist effort.

Assume, third, expansive debt financing, hence by money creation, is pushed to excesses. Then, sooner or later, the currency will dwindle into inflation and its exchange rate will degenerate compared to other currencies. This will lead to a currency reform, which will be connected to a debt jubilee. All this will, indeed, lay foundations and reserves for new rounds of expansive prosthetics through private bank and central bank money creation, but the leading capitalist states will certainly want to avoid to go through all this as it will imply a material loss of their power and reputation. Unfortunately, as seen in the book and touched upon in connection with the

8 We skip prosthetics by redistributive debt as they are far less effective.

option to fund prosthetics through violent wealth procurement and protectionism, in order to preserve and strengthen the power of their fiat money creation gland, states may be driven into imperial and war policies.

Question X: What may influence democratic and authoritarian politics as they err back and forth between non-solutions in the next fifty years?

Since democracy came into being as the concept of the people's rule, there was a contradiction between it and the existing social and economic order. Democracy meant equality and people's rule; the social order consisted of inequality and the rule of wealth owners. That contradiction is well-known since ancient Greece, where Aristotle defined democracy as "the rule of the poor". In the motto of the French revolution, the aspect of democracy, which was directed against social inequality appeared twice, in "fraternité" and in "égalité". Nevertheless, after two hundred years of modern democracy, the wealth and income distribution in capitalist societies stays as unequal as ever.

There are several reasons for this. First, political attempts of social democracy, socialism, and communism, to seriously change the situation, simply failed. Social democracy and socialism become currents within the party systems, which only leaned more towards prosthetics than others, soviet style communism collapsed in the nineties of last century. Second, it may be that there are intrinsic reasons why a workable alternative that can economically, socially, and militarily compete with rivaling and hostile capitalist states, which use the fiercer dynamics of inequality, does not exist. Third, the arena, in which democracy and social inequality met, appears to have been structured in a way, which favors wealth owners' efforts to preserve social inequality, even under conditions of democracy. These structures can be regarded as a series of open or closed gates or *filters*, which shape the outcomes of the democratic process; they are ideological, social, and institutional (constitutional, legal, economic).

In the next fifty years, democratic politics, may be influenced by the fact that many of the old shaping structures are about to be swept away or have been swept away recently. With reference to a Marxian-Gramscian idiom, one might speak of "changes of structures or the superstructure" in Western capitalist democracies. Before this change, the vast majority of the masses and of the elites in Western democratic countries essentially adhered to pre-democratic conservative values, such as religion, family, traditional morals, patriotism, and nationalism. These values were attacked in the Western cultural revolution of 1968, with centers in France, West-Germany, and the US. The revolution successively conquered strongholds in education, the universities, and the media and, following movements against nuclear energy and armament build-up, new "green parties" arose out therefrom and helped to spread it. A second "great jump forward" in this cultural revolution in the West was ignited by the collapse of soviet style communism. That, now, opened the door to a rather *general historic political and cultural compromise*. A significant share of political leaders, including leaders representing wealth owners' interests, became or outed themselves as "green", "pro-ecology", "pro-gender", and "anti-discrimination", including "anti-racist" and, more explicitly than ever before, "anti-antisemite". The part that had preferred to maintain previous attitudes (cigar smoking, churchgoing, law and order-oriented, heterosexual, rank-conscious, ecologically unconscious, limousine-driven, old white men, etc.) was overwhelmed by this wave. Yet, there was a trade-off. The novel-style representatives of wealth owners remained in favor of wealth owners and claimed and were conceded *a global neoliberal capitalist ecstasy, including in finance.* Ex-68ers, green and social democrat parties, accordingly, dropped much of their anti-capitalist and egalitarian ambitions in *social* and *property* matters. Businesses, provided that they were "politically correct" or "woke", used proper language and introduced symbolic reforms (which could be low-cost and lip-service) to bow before the new golden cows, were set free to exploit the opportunities of the new globalized and financialized world. The European Union whose role grew significantly after the German reunification and the Euro-introduction, became the European propagator and bureaucratic implementer of the new, beautiful world. The internet brought global communication and young, unconventional entrepreneurs who drive bicycles or electro vehicles, communicate on a first-name-basis mostly and smoke pot instead of cigars occasionally, took over.

The compromise was economically supported by a series of (very favorable) economic macro-moments. China and other BRICS-states rose economically, and the countries of soviet style communisms collapsed. Both events triggered huge investive and consumptive producive spending, which generated employment and relative wellbeing. In addition, a massive worldwide prosthetic spending, whose volume had been hitherto unimaginable, was unleashed: After Volcker's anti-inflation and austerity-policies in the 1980s, the US pursued a prosthetic debt-build-up course, which persists even today, with material beneficial effects on employment. In connection with the European integration and the Euro-introduction, a significant rise of sovereign and private debt build-up in Europe sent waves of prosthetics throughout Europe, too, particularly through peripheral Europe. When the time of punishment arrived, with the European national debt crisis in 2010, European politicians added more debt, now directly at the level of the European Community. In fact, the European Union was (re)born as a new "super-debtor" in these days. The European Central Bank began to subsidize debt-issues of the member states by asset purchases and took a great share of them on its balance sheet. As mentioned elsewhere, China, too, after three decades of growth with little public debt, changed course after the financial crisis and nearly caught-up with the West's debt levels, thereby greatly helping Western economies. Most recently, the Corona-crisis kicked expansive prosthetic spending to higher levels. The Ukraine war is already providing new reasons to continue to create further state fiat money. If it escalates into a lastingly bellicose international situation or a larger war, much more will follow. All of these movements, taken together, raised employment and working-class well-being in highly developed Western capitalist countries in the last thirty years *enormously, much beyond what would have been possible without them.*

In turning away from the difference between owners and non-owners and from the modern social master drama, and, in fact, from the issue of war and peace and violent goods procurement, too, the compromise has elevated the ideological debates into a realm of fuzziness and of simulation. Due to the economic wellbeing of the last decades in most relevant regions, it has so far remained untested how the compromise may influence the future narrative of the social master drama, which cannot but err back and forth, as we said, between non-solutions regarding deficient employment-generating spending and the between different prosthetics with their dilemmas, if it is put under stress. With the compromise, the militants on both sides, of the working class and wealth owners, have, at first, abandoned the old trenches of traditional ideological warfare. E.g., it used to be a holy credence for wealth owners, over which they would go to civil war, that the freedom of economic behavior and private property are premier, natural human rights. Yet, quite paradoxically, very shortly after the demise of socialism-communism, in the crisis after 2008, all capitalist countries massively intervened in the economy with instruments from the horror-kit of their very same late socialist and communist arch-enemies, e.g., large sale nationalizations of banking. The visible and massive role played by state fiat money creation, too, is even more incompatible with traditional pro-capitalist world views (as only a few Austrian economists seem to remember). The question is, whether, if need should arise, pro-capitalist militants can re-occupy their former ideological warfare trenches? Or, if they have to invent and build new trenches – what will they be? Working class-ideologues, too, have cleared their old positions, and may not be able to recuperate them easily. In fact, the tectonic shift of the last thirty years goes even deeper, down to the very intellectual foundations of all debates between conservatism, liberalism and socialism since the 18th century. … *All* these historic parties justified their proposals as *intellectually rational,* hence derivable from and in accordance with the best available notional and logical thinking and with experience. This fundament is shaking. The compromise has not only disparaged "grand narratives" but undermined the very basis for such narratives by de-intellectualizing and de-rationalizing the political discourse and reducing it either to a small coins' affaire or overwhelming it with ecological, gender or anti-discrimination moral discourses in great fervor. If the *ideal of truth*, formerly shared by the parties, loses ground, emotions and interests of swarm-like moving social groups must become dominant and children expressing innocent feelings must appear as the most legitimate and trustworthy voices in politics. The growing role of women in the media, education, politics, law etc. has not helped to halt this trend. If fits together with this that the compromise particularly features a worldview arranged around so-called human rights. Anything can be easily declared as a "human right" and such "rights" (which are, of course no "rights" in any reasonable sense) cannot be but limitless and fuzzy on the one side and moralistic and aggressive on the other. They, thus, always offer more than what is needed for a specific political purpose and require permanent fine-tuning, which, for the lack of rational derivability, is only possible through further compromises. Such further, secondary compromises that set out how to implement a premier fuzzy and simulative compromise, will, therefore, be an almost daily challenge if the modern master drama seriously raises its head again. We live in a highly irritable, and instable ideological and political situation, in which unprepared and inexperienced actors will move in little rational, but very moralistic, often aggressive and possibly hysterical, ways. It is, thus, very unpredictable, in which direction the players will to move and how they will battle it out.

Of course, the compromise has left behind non-adherents to it, bearers of more conservative values, for instance, whether rural or urban, and whether wealth owners or non-owners. They felt already irritated when the compromise was entered into and the vigorous re-education attempts and the canceling out of these non-adherents by the missionaries of the compromise has further alienated them. Rural non-owners are particularly offended; they do not profit from the globalized economy and very little, if at all, from feminism, gay culture, transsexuality, or legalized pot, etc. Parts of well-educated and wealthy urban elites, too, feel repulsed by seeing conservative tenets, which once made their country great, "canceled out" (as if it were fascist). Even remaining left-wing working-class traditionalists feel disrespected. Whether this reservoir of homeless leftovers, stays marginalized or it somehow recuperates influence upon political processes in Western democracies, particularly under great economic and social stress or following wars, is, aside the unforeseeable inside-dynamics of the proponents of the compromise, a further open question. As moderating filters have been removed from political processes, and as political winners will have more immediate and direct access to state power to execute new policies, we shall likely see several sharp ruptures.

More authoritarian systems, e.g., in China and Russia, as we have said, are also committed to delivering well-being for the people and their legitimacy; social peace there depends on meeting basically similar benchmarks as those in the West. However, these countries have not experienced the historic compromise encountered in the West and the ideas of the Western cultural revolution of 1968 have not nearly achieved a similar hegemonic position as in the West.[9] More authoritarian regimes,

9 Quite interestingly, even though Russia and China have driven their populations through decades of cultural revolutions!

quite obviously, possess more means by which to steer, influence, and control public opinion and the political process and their populations, especially in Russia and China, may be ready to accept a lower level of wellbeing and to endure greater suffering. Therefore, it may appear that, as long as these countries maintain their internal unity and do not collapse, they may possess a higher capacity to implement somewhat calmer long-term policies. If they collapse, they will simply westernize – all this in a world with only non-solutions.