

**Money, the State and transformational capitalism
a post -Marxist perspective and Agenda
A Revised Version**
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The Sole Road to Freedom and Enlightenment for all**

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This paper is to be read as an introduction to debates. It owes a lot to friendly discussion with Daniel Pichoud, Leo Malherbe, Ivan Invernizzi, Mario Seccareccia, Slim Thabet and Hassan Bougrine. I dedicate this modest meditation to my Mexican colleagues, Alicia Giron, Eugenia Correa and Wesley Marshall whose country is under attack by the new Cortez. I must emphasize that their exemple led me to write this paper. The class fighting spirit has been over for a long time in Europe and USA, while it could be beginning again in Mexico. How could I forget that I delivered my last conference in UNAM just under the "portrait of Ho-Chi-Minh". I take full responsibility for the ideas expressed in this paper.

Abstract : This paper is to be read as a battle for an enlightened future. In the first part, I strive to deal in full with the ongoing destroying metamorphosis of capitalism. In the second part, I deal with the post-Marxist monetary circuit entirely relying on the power of the state as an entity to issue money at will free on any kind of debt. The state would thus be better able to play its three major roles Welfare Source of First Resort (WSFR), WagersTaker of First Resort (WTFR) for the more costly and long term projects and Employer of First Resort (EFR) for its sovereign tasks. It must be deemed rooted into true revolutionary endogeneity of money. In the third part, in guise of conclusion, I endeavour to emphasize the set of conditions that must be addressed to implement the post-Marxist program

Key words : Capitalism, state, monetary circuit, endogeneity of money, true full-employment, equality, freedom, taxes, Marx, Keynes, Kalecki.

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** My special thanks for this revised version owing a lot to comments by Hassan Bougrine, Slim Thabet, Daniel Pichoud, Leo Malherbe, Mario Seccareccia, Louis-Philippe Rochon and James Galbraith. Of course. I take full responsibility for my own meditations.

First part : The ongoing irreversible metamorphosis of capitalism that brings irresistible instability, destruction and outrageous inequality.

Contrary to Keynes and indeed to the so-called orthodox economists of whatever denomination, Marx always emphasized the evolving or rather transforming nature of capitalism. Herein was the explanation of the choice of technology aiming at enslaving society to the ruling class or rather accelerating the class division of society.

What are the core factors of this metamorphosis of capitalism hiding the race to the absolute rule of "markets"?

-First the thirst for always rising gross profits.

-Second, the effort to thwart the threat of any possible resistance from the working class which must be tamed at the minimum cost.

-Third, at last, the rather desperate effort to thwart the threat of the fundamental uncertainty of the future. Herein, is the root of what must be deemed the post-Marxist synthesis of Marx and Keynes, the Keynes of chapter 12 of the general theory. Chapter 12 deals with "The state of long term expectation"

Relying on a post-Marxist heterodox perspective is required to explain how capitalism as a class system escaped the fall of profits trap and succeeded in getting rid for ever, at least here lies the hope, of all obstacles to the race to illimited profits. Herein lies the essential features of the new metamorphosis of the system that started in the last two decades of the XXth century under the guise of absolute market-rule neo-liberalism extolling the so-called "High-Technololy" shrewd use.

Indeed, what are the essential features of this succesfull capitalism, its animal spirits, which helped the system to get rid of Marx pessimism relative to its future ?

I/ A very succesful strategy of getting rid of labour in terms of both quantity and income enshrining a long-run growth of true unemployment thanks to the process of accelerated automatisation allowed by the so-called new "High-Tech". The same process does not require a simultaneous growth of investment in the creation of tangible capital. It is tantamount to the inexistence of any kind of substitution of capital for labour. To the contrary, herein is a deep transformation relative to Marx core theory of book one of *Das Kapital*, accumulation in the Marxist meaning and employment are falling quasi pari passu.

II/ The systematic use of High-Tech has opened the key of a limitless wave of "financiarization"¹ through the possibility of taking wagers on wagers ad infinitum of which the motive is hope of quasi certain illimited paper-profits out of pure speculation². Ultimately this chain of wagers on the future is entirely financed (directly and indirectly)³ by private

¹ Or rather a tsunami of financierization. As shown by Marx in his study of the Second Empire and in Book III of *Das Kapital*, capitalism was born and swallowed society out of the first wave of financierization. The states out of their always increasing public debt financed always rising infra structure expenditures (railways, roads, canals like Suez and Panama). In his book on imperialism as the supreme stage of capitalism, Lenin emphasized that the whole international banking system relied on an orgy of public debt. No banker was worried by the obvious quasi bankruptcy of tsarist Russia for instance. Marx perfect understanding in the rising role of public debt is beautifully emphasized in Davanzati and Palatano (2017).

² "Pure speculation" is addressing that never-ending chain of wagers taken on wagers ...ad infinitum.

³ Banks finance this endless chain directly through loans to financial investors, indirectly through loans to non-banking institutions in the like of Goldman Sachs.

banks creation of money. It generates illimited rewards shared between banks, financial investors of all sorts.

Those rewards are split between banking and investors managers, their share-holders and the legion of professional wagers-takers, the so-called "Traders" of all sorts. What is beautiful in this new system is that paper-profits are transformed into real expenditures of luxury consumption of all kinds on a scale never attained even in the Gilded Age of pre-first world war capitalism but also of acquisition of producing firms leading to an ultra-concentration of what remains of productive capitalism. Those expenditures are some kind of Keynesian widow's cruse bestowing reality on fictitious profits⁴.

III/ At the same time, thanks to the even shrewder use of the "High-Tech", capitalism has taken full control of culture, knowledge and the very "spirit" of society. This deep cultural counter-revolution is more and more encompassing the whole structure of education. Herein lies the explanation of the tremendous ubiquitous success of "Business-Schools" of which the role is to fully integrate education, especially at the graduate level, into the dominant "High-Tech" structure of capitalism.

It explains the vanishing class consciousness of those who suffer from the new metamorphosis "Proletariat" in the Marxist sense is no more, fighting class spirit has been killed especially amid the youth whose sole hope is to be accepted as servants by rulers of the never-ending speculation system through the highly profitable business schools of all sorts. It is the time of resignation and desperate efforts to cope with the agenda of the ruling class, the sole class that survives, the capitalist class.

Table I below illustrates what is the core of the Post-Marxist agenda:

Table 1
Two visions of the future-led technology.

Marx vision	Post-Marxist reality
Technology leads ultimately to the paralysis of capitalism and the rule of Proletariat	Technology leads to the unchecked triumph of capitalism and the death of Proletariat

There is more : The new Culture on one side enshrines the debasement of true culture, on the other side the never-ending enslavement of culture to the needs and whims of the ruling class.

IV/Finally such a deep metamorphosis requires the total control of the state of which the rulers whatever become full part of the ruling class. Contrary to what too many people believe, Marx was adamant : capitalism needs the state to attain its agenda. Without the full commitment of the state, at all levels, national and international, the ongoing metamorphosis

⁴ Because, however fictitious, paper profits are spent in real expenditures, mainly ultra luxury consumption expenditures that transform them into real profits. Such an orgy of ultra-luxury consumption generates a widow's cruse quite beyond the imagination of Keynes. It is encompassing building of palatial houses, race for the most outrageous symbols of sheer wealth, a folly of ultra-costly tourism leading to the expropriation of poor costal to build supra-luxury hotels...It generates in the centers of wealth an endless speculation on housing etc..We are far beyond the Gilded Age and the time of Gatsby. It is one the darkest corrupting forces of society, the very mark of impish inequality, a sheer anomaly!

would have failed. Herein lies the final "Great Transformation" in the spirit of Polanyi : The absolute rule of markets hiding the desire of the ruling class through the enslavement of labour and society at large, the so-called neo-liberal counter-revolution has been imposed by the state turning more and more authoritarian.

To be short, the new state has to comply with the following norms while preventing any doubt about those norms:

A/ It must never strive to attain true full-employment.

B/ It must abolish all "obsolete" protection of labour whatever and strive to create amid those searching for an income by working the most remorseless competition. Herein lies the core of reforms of education only obsessed by the cult of "Excellence" out of performances generating the new "elite" fitting the wants of the ruling class.

C/ Such a search for an "elite" ensures the total submission of the youth to the new order. Herein lies the sole explanation of the promotion by the state of the ideology of the new ultra-liberalism.

Sometimes one could be tempted to explain the total victory of new-ultra liberalism by the dire fact that "Keynesianism" lost the war of ideas in the "Economic Profession". It relies on two crucial assumptions : The first is that there is in Keynes General Theory a genuine consistent agenda, which is entirely wrong especially when one is dealing with the new metamorphosis of capitalism⁵. The second is that "wars of ideas" are won or lost "in the sky and not on earth" as Marx wrote in his criticism of German Ideology. Modern ultra Post-Hayekian new liberalism won because it fitted perfectly the requirements of the ruling capitalist class. As for the so-called "Economic Profession" it is nothing but the intellectual reserve army of the ruling class from which it receives bounties of all sorts on an always rising scale⁶. Both are twins in the success of the new metamorphosis. Let us strive to explain this relationship:

-First, the ruling capitalist class needs the Profession to get the set of rules the state has to impose to ensure its success.

-Next, the Profession needs the ruling class just to exist by enjoying the monopoly of receiving money funding those new cathedrals, the great universities. I am always stunned by a blatant paradox:

The very one always extolling competition out of free markets impose an absolute monopoly on teaching, writing, access to careers, to get rid for ever of competitors.

-At last, from the Profession come the so-called "Experts" or technocrats ruling the state which strive unceasingly to destroy all obstacles to the rule of new capitalism.

⁵ The truth is that there is no full consistent policy agenda in Keynes who never strives to address the metamorphosis of capitalism. The so-called "Profession" ignoring Marx, Wicksell, Polanyi used Keynes as a scapegoat.

⁶ Here is a crucial question too much ignored by heterodox economists, the absolute corruption of the great names of the Profession. Dallying with an honest economic ruling Profession is an oxymore. Bounties are bestowed on those famous ones out of gigantic salaries, gigantic contracts, enormous fees for their textbooks and articles, Nobel prizes, etc...All are earning millions or more...They are part of the ruling class whatever their cautious warnings. It is thereby a waste of time even to discuss the vision of the orthodoxy.

D/ The ultimate secret of this enslavement of the state is that it must be free from any temptation to act against the destruction of society, assuming that democracy still exists (at last formally) and that some “dangerous” political parties could win the elections.

How to prevent such a disaster from the ruling class perspective?

-The most secure way is to deprive the state of any power to act against the new harsh rules of the game. How? By imposing a draconian control on state expenditures leading to its absolute enslavement to financial capitalism. The sine qua non of this enslavement is to deprive the state of the power of issuing money at will.

Thereby public expenditures are to be financed by borrowing money to private banks at a rate of interest granting enough profits to banks.

-The more the state fails to play by the rules, the more it is piling up debts to private banks at rising cost, the sooner creditors are to fear the state insolvency and thereby impose the most draconian strait jacket on public expenditures. Herein is the existence conditions of permanent austerity.

-An always more constraining austerity is the twin of the state forced indebtedness, it is imposing on society such a burden leading to poverty, that people feel obliged to beg the absolutist capitalist sector for income.

Thereby, the existence condition of the absolute dictatorship of “Capital” is the abolition for ever of the state power to issue money free of rising indebtedness. Nothing could henceforth stop the juggernaut⁷ of the destroying metamorphosis of capitalism.

From this “theorem” stems three fundamental propositions:

P1/ The state full power to issue money at will free of debt is the sine qua non of a policy freeing society from the destruction brought about by new capitalism or rather by capitalism itself. Since I proved that new capitalism is the natural or spontaneous outcome of the system itself, betting to go back to a more compassionate aspect of the system is doomed.

P2/ The full monetary power of the state is the key to true full-employment. The state becomes the employer of first resort (EFR)⁸ and thereby the savior of culture in every aspect, herein is the root of a true cultural revolution! It is thereby the welfare source of first resort (WSFR).

P3/ Finally, the state as the guardian of society and true freedom cannot exist without the full right to issue money without debt at will. In some way, such a state enjoys its “natural power” which is the counterpart of the tax debt it imposes on society to be paid ex post (Parguez 2016), (Parguez and Thabet 2017). It allows the State of being the wagers-taking of first resort (WTFR).

⁷ Juggernaut in Hindi mythology is a destructive and unstoppable force.

⁸ As wonderfully explained in Bougrine (2017) p.79 « The idea of the State as an employer of first resort (EFR) may sound peculiar, but after a serious reflection, it makes sense. Others have argued that the State should instead act as an employer of last resort (ELR), hiring workers only when they fail to find jobs in the private sector (Mitchell and Wray, 2005) (Wray 2010). But such a strategy does nothing to change the class structure of capitalism with its unequal distribution and an even development, which is the main source of permanent and often rising unemployment. The fundamental role of the State as EFR is also emphasized very strongly by Seccareccia (2013) who proves the leading role of the public or social sector escaping the yoke of capitalism”.

Second Part:

The monetary circuit in a society when the state plays its EFR, WSFR and WTFR role.

It is shown by figure 1: numbers reflect the chain of phases of the circuit.

**Figure 1
The Post-Marxist Monetary Circuit.**

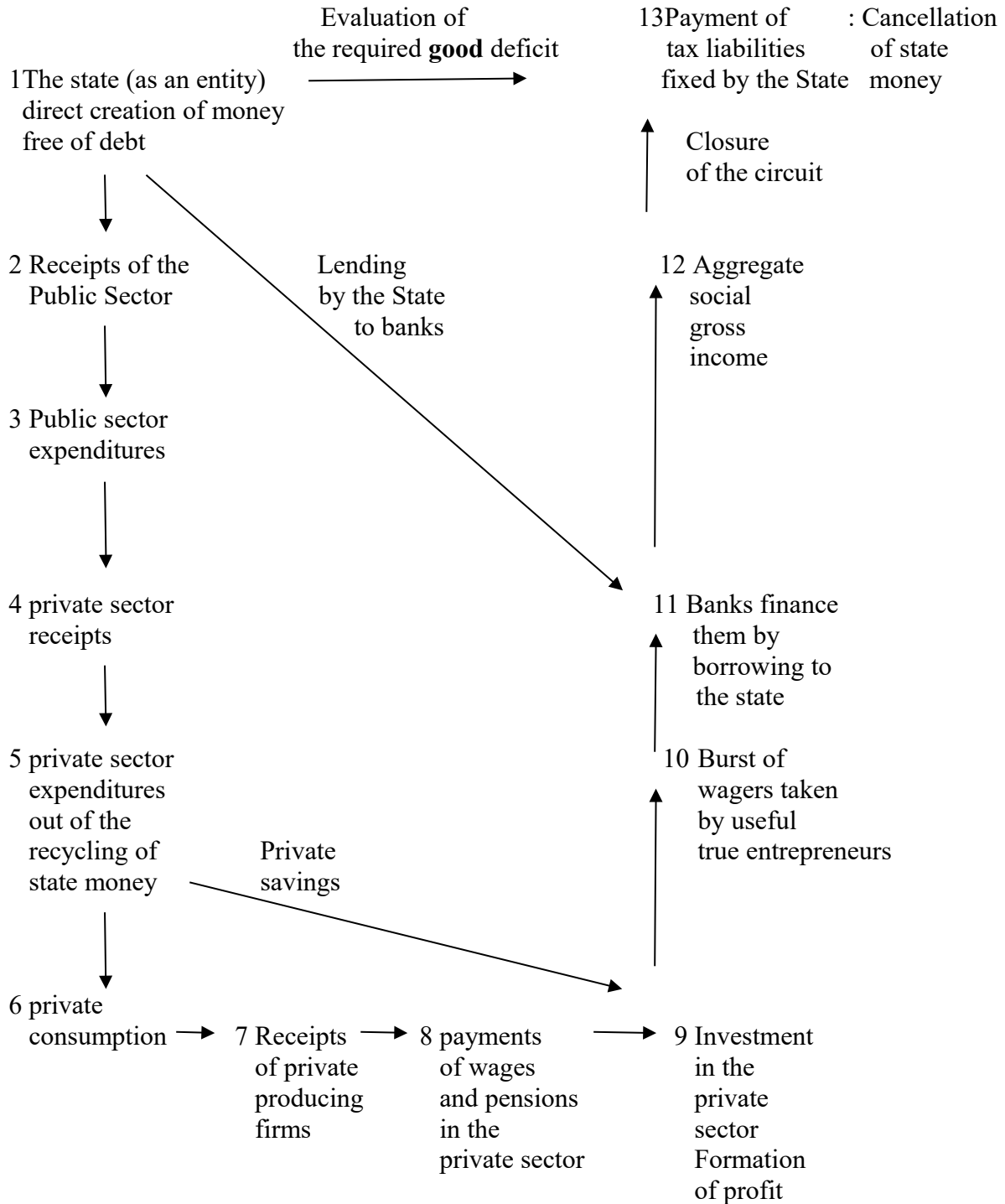


Figure 1 displays the pure model of what must be deemed the “revolutionary circuit” rooted into truly “revolutionary endogeneity of money”. Contrary to some wrong interpretations,

revolutionary endogeneity never existed before under the yoke of unchecked metamorphosis of capitalism. It is only ruling to allow the state to play in full its EFR, WSFR and WTFR role.

Let us henceforth strive to unveil the chain of stages of this circuit. Its length is the interval between the initial injection of money by the state and the payment of the tax debt imposed on the private sector. Both are simultaneously determined which could be interpreted as the commitment of the state, as soon as it is fixing the ex-post tax-debt, to provide society with the required quantity of money to attain perfectly full-employment and perfect welfare and thereby the growth of its real net wealth.

1/ By state one must deal with an homogeneous or single entity. Thereby, there is not the least logical reason to introduce a Central Bank, as a monetary part of the state. It means that money creation by the state cannot generate a pure fictitious debt towards the “Central Bank”. Putting a Central Bank on the front stage is to unleash the emergence of a technocratic power that could soon search for control of the issue of money which could contradict the EFR and WTFR role of the state.

2.1/ State flow of money is instantaneously injected into the “Public Sector” at zero rate of interest, the true natural rate.

New money appears in deposits of all kinds of public institutions having accounts in banks playing a pure passive role of pure intermediary deprived of any power.

Banks balance-sheet at this stage are described by table 2, applying conventional accounting.

Table 2

Assets	Liabilities
Injection of money accounting for the future $I_{G t}$	new deposits of the public sector $I_{G t}$

It means that in this role banks are themselves socialized, a part of the public sector. The public sector proper is encompassing all kinds of institutions, producing firms, cultural and educational centers including research network promoting fundamental research, universities, hospitals, infrastructure encompassing roads, railways, airports, environmental protection agencies of all sorts.

2.2 / It is tantamount to two fundamental propositions of the Post-Marxist approach:

I/ State direct creation of money debt free is the state investment into the future. By always playing its EFR and WTFR role the state is the architect of the future never afraid of taking the boldest wagers on the unknowable future. It is finally the leading wagers-taker which defines its wagers-taker of first resort (WTFR).

II/ Public firms are not submitted to profit norms but if they earn profits they must be recycled into productive public expenditures. A corollary is that the public sector must never be

privatized. Privatization is part of the ongoing corrupting metamorphosis of capitalism in search of captive sectors as a source of illimited profits.

Herein, as shown by Table 2 is the core of this Post-Marxist approach relative to Keynes' General Theory and Marx own one in Book III of Das Kapital.

Table 2

<u>Keynes</u> ⁹		<u>Marx</u>		<u>Post-Marxist Approach</u>
<p>A very short-run approach The state is rather absent The financing process is ignored capitalism as such is also ignored</p>	→	<p>Contrary to Keynes the state plays a crucial role in providing profits out of expenditures entirely financed by the issue of public debt sustaining the first wave of financierization</p>	→	<p>Free creation of money by the state playing the role of EFR, WSFR, WFR The state neutralizes the spontaneous tendency of capitalism to survive out of creating chaos destroying society</p>

Let us now explain with more details the three fundamental aspects of the state.

2.3. / The state as EFR

It means that all those wanting to work to earn an income high enough to escape rationing in their desires may instantaneously find the rewarding job fitting perfectly their ability in the public sector whatever the part of it. Being fully socialized, it does not seek and earn profits. It is strong enough to neutralize for ever the constraints imposed by the metamorphosis of capitalism. It is obviously free of “waste”, since it is the engine of the growth of net real wealth. All jobs are thereby fully productive, contrary to pure techno-bureaucratic jobs today! Table 2 explains why neither “orthodox Post-Keynesians” or “Neo-Kaleckians” as well could never reach the sole road to true full-employment. They shy away from the very dominant role of a public sector rejecting private property of all sorts.

⁹ It is a pity that Keynes and his “circus”, even Joan Robinson never paid true attention to Marx. It could explain the stupefying paradox: Keynes in his General Theory, even in his finance motive paper, wished to set the roots of Monetary Production Economy. Where is it? He never mentioned the State and the financing process of the economy. There is a sole brief quotation related to the financing of the deficit: It must be entirely funded by borrowing individuals saving! The truth is that, contrary to Marx, Keynes Magnus Opus is so much targeting the Cambridgian Economic Profession, that finally Keynes does just pay a lip service to economic and social policy. As for Kalecki, he postulated that all State expenditures are financed by loans of private banks.

2.4. / The state as WSFR

Being free from any profit constraints, the public sector may always bring the most advanced education free of costs embodying the most enlightened culture to all students whatever their level. Education and culture are no more enslaved to the wants and whims of the ruling class. It would be the end of the race to be admitted in pseudo-elites of future servants of High-Tech capitalist firms, business-schools are to vanish for ever.

In its WSFR role, the state is to grant high enough pensions, the most-advanced health care, funding to fundamental research in all jobs. It would never generate a funding for pseudo-research in the art of speculation and fraud, as well for orthodox pseudo-economics which is part of the corrupting new capitalism as already shown.

Let us go further! A living income equal to wages paid in the producing sector is to be granted to students becoming free to choose their future, to artists of all sorts, and even to those who stop working for a while to change the course of their life in order to increase their contribution to the real netwealth of society!

Herein, a genuine Post-Marxist perspective requires to address cautiously the fashionable “ubiquitous income proposition” which is on the agenda of social-democrats technocrats borrowing their “reformist boldness” to fanatical reactionary advocates of markets, like Friedman and the “Profession”.

As such, if it is not included into a very long run EFR, WSFR and WTFR of the public sector, it would be the ultimate form of “social therapy of unemployment”, a new kind of charity policies implemented to keep silent the victims of the system.

2.5./ The state as WTFR

What remains of Keynes is the anguish resulting from the absolute unknowability of the future. Thereby, any decision involving the future is a pure wager on the future. Integrated into Marx evolving vision of capitalism, it means that capitalists are locked into the desperate search for profits with the shortest horizon possible. Herein is the root, as already proven, of the race to illimited profits out of financierization.

Contrary to capitalists, the state through its absolute power to issue money at will free of debt, is perfectly able to take the boldest and most audacious wagers on the future. It is thereby absurd to integrate into the revolutionary circuit any concern for the rate of return of the investment into the future by the public sector. Herein is the existing condition of the road to freedom for society as a whole.

3 and 4/ As shown by phases 3 and 4 of the monetary circuit, the initial injection of money by the state financed the public sector expenditures (there is no leakage) which generate the receipts of the private sector as a whole which includes the set of private users of state money, household and firms. Such a private sector is to be deemed as a perfectly tamed capitalist system deprived of any destroying power. Those receipts are instantaneously recycled into expenditures through three channels(phase 5). Free access to fundamental services reflect an implicit income for the private sector. It is tantamount to an equal amount of state money available for recycling. Thereby, it is true that all initial injection of state money are transformed into private gross income, including wages and profits!

Phase 5/ Recycling is operated through the intermediation of banks which again play mainly a pure passive role excluding any creation of money and thereby any rationing, as shown by table 3.

Table 3

The passive role of banks in the recycling process



In this process, banks play still a socialized role, the rate of interests is still 0, they cannot earn profits and occur losses. Y^t is the gross income of the private sector as a whole. Recycling is operated through three channels:

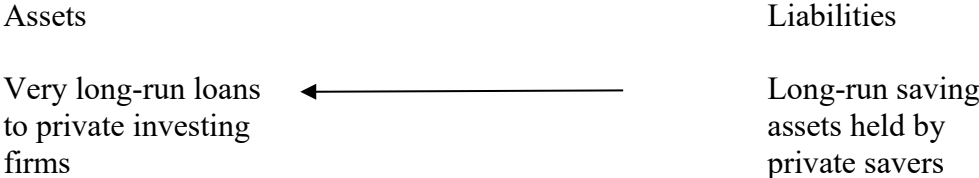
5.1/ The first is consumption expenditures (stage 6) of commodities and services other than those included into the public sector (education, health, culture, access to infrastructure like turnpikes, social housing system, other roads). Those expenditures are the receipts of private producing firms which recycled them into wages equal to those paid in the public sector and pensions and, as already proven, implicit income.

5.2/ The second is private savings invested into banks which recycle them into very long quasi-frozen loans to private producing firms needing to finance their investment. Such a recycling does not generate any creation of money by banks and prevent any speculation-led financierization. As shown by Table 4 which displays banks balance-sheet in stage 9.

Table 4

Funding investment in the private sector

Banks balance-sheet



This financing process is not to be the least a restoration of austerity and the saving constraint Hayekian-like. It just sustains the most socially efficient circulation of state money. What are indeed the fundamental characteristics of this anti-Hayekian saving process.

-Saving is entirely determined by the required investment which is itself determined by consumption expenditures.

-Since no loss is to be feared thanks to the role of WTFR of the state, banks balance-sheet is perfectly secure. Were some unexpected shock occur, the State would neutralize its impact by more initial creation of money. Thereby banks remain socialized, they cannot charge any interest on their very long-run loans. The law of the zero natural rate still holds, as for savers, a minimum and fixed rate of interest may be granted to them to prevent any lack of coordination between required investment and the state fundamental missions. Such a rate is to be fixed permanently by the state ; herein one could introduce a specific agency that must not lead to the restauration of a technocratic central bank. Interest rates are to be financed out of the creation of state money recycled into new consumption expenditures. It means that they are included into initial creation of money by the state.

-Long-run private savings, part of recycling process, include profits earned by private producing firms. It means that all profits are automatically recycled into investment or dividends sustaining a normal capitalist consumption. The time of the Roman-like orgy of ultra-luxury consumption of the super-rich, the symbol of outrageous inequality, is over for ever. As already proven (Parguez and Thabet op cit), thanks to the certainty provided by the state, the required share or rate of profit is constant and frozen at its minimum or natural level. It has not the least impact on employment.

5.3. The third channel is the payment of taxes imposed on private incomes, wages and profits of which the sum is society gross income (stages 12 and 13). It has already been proven that initial injection of State money and final or export tax liabilities are simultaneously determined.

Taking care of the leading and fundamental role of the public sector, taxes are used to allow the existence of available employment and income in the private sector providing commodities and services that are beyond the normal three fundamental roles of the State. It is why one could emphasize that on one side the state cannot impose tax liabilities without first issuing enough free of debt money and vice versa, it cannot invest into the future without imposing tax liabilities granting the harmonious distribution of labour.

Tax payments are thereby fixed under three constraints:

-Since every uses of State money is informed of their existence, taxes must always be low enough to allow a smooth recycling of the initial issue. Herein is the major existence condition of the Post-Marxist circuit : the State "budget" is always running high enough a "Deficit" to use conventional accounting which means that only a relatively small share of the initial injection is cancelled in phase 13. Those "Deficits" are the perfect exemple of "Good Deficits". Even the very term of "deficit" could be inappropriate since it reflects the net investment into the future, while "deficit" is a legacy of conventional orthodox accounting.

-What happens to the part of initial injection which is not cancelled, is it a true problem? The answer is straightforward because the counterpart of the so-called "Deficit" is to be found in society accumulation of net wealth on saving including profits.

-As Galbraith (2015) rightly emphasized in his book "The End of Normal" such required deficit is much more than the conventional fiscal policy. Pure Post-Keynesian fiscal policy does not target the structure of the capitalism system. I agree with Galbraith (op cit), it is doomed to fail as long as it does not rely on the Post-Marxist circuit and the abolition of the

public debt and bestows too much emphasis on the so-called "automatic stabilizers" which are just some "Keynesian" version of prices variation stabilizers!

Circuit stages 10 and 11/

Phase 6 / The revival of entrepreneurial animal spirits.

The last phase of the monetary circuit : the emergence of a sudden burst of true dynamic entrepreneurs ready to take bold and non-speculative wagers on the future.

In the first part, it has been proven that those dynamic animal spirits vanished a long time ago in the wake of the last metamorphosis of capitalism. What is today extolled as “start-up new enterprises” is just the by-product of the “High-Tech” culture led by the dark impish spirits coming from business schools and their likes.

To the contrary, there could be a sudden strong wave of bold true entrepreneurs wishing again to take audacious wagers on the far future leading to the invention of new commodities and services. As long as it has not been expected, herein could intervene genuine very long term loans by banks reflecting creation of new money but by whom? To prevent any return of the decadent capitalist system and the emergence of a new class of super-rich, this process must be strongly monitored.

It is illustrated by table 5 displayed banks balance-sheet to cope with the renewal of animal spirits¹⁰.

Table 5

Assets	Liabilities
Claims on new entrepreneurs to be paid in the far future	Very long-run liabilities of new entrepreneurs

Herein, banks are no more simple accounting agencies. They do inject new money financing the projects of new entrepreneurs. Since the sole money accepted is the state money, banks in their credit role are obliged to borrow money to the state which, as a counterpart, creates a new amount of money included into the initial injection. Reimbursement are thereby to be included into tax payments.

Herein appears the most striking fact of the Post-Marxist circuit.

¹⁰ It is way this resurgence of true private animal spirits- genuine start-up enterprises, escapes the accusation of “crony capitalism”, a legitimate accusation for existing capitalism. My analysis is somewhat close to Mazuccato (2013) own proof of the absolute leading role of the public sector. In my model, the new entrepreneurial sector is much more monitored by the State which is providing funds against debts to be paid later at a time fixed by the State as the lender of first resort. Were the new entrepreneurs would be tempted by speculation. The State could ask for reimbursement, for instance if they want to exact excess profits financing luxury consumption.

Instead of being indebted to banks banks are henceforth becoming indebted to the state when they grant credit. It is the ultimate revolutionary aspect of endogeneity of money as shown by table 6.

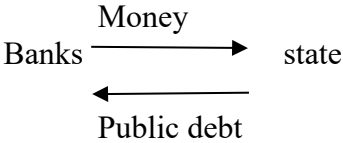
Table 6 illustrated by Figure 2 financing new truly dynamic entrepreneurs (10-11 in Figure 1).

Figure 2

The revolutionary endogeneity of money in full in the financing process of genuine socially sound revival of true entrepreneurs.

Marx-Kalecki

The state is accumulating debt to banks.
The state could become enslaved to banks



Post-Marx system

Banks are accumulating debts to the state.
Banks are enslaved to the state. It is the core of their socialisation.

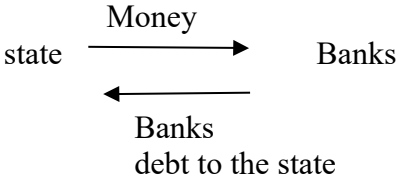


Figure 2 leads to Table 6

**Table 6
Final balance-sheet of banks in stage 11**

<p>Assets</p> <p>Borrowed state money to be repaid in the far future and that must be entirely spent for new entrepreneurs projects</p>	<p>→</p>	<p>Liabilities</p> <p><u>Very-long run</u> liabilities to banks of new entrepreneurs</p>
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Thereby the state (though its monetary agency) may perfectly control the new entrepreneurial system.

-It would lend money to banks just to finance legitimate private wagers on the future. No money for finance and mad research in the likes of Artificial Intelligence (AI), genes control for the super-rich etc...

-The state is to charge zero interest on its loans to banks. It is the second layer of the natural rate rule.

-Banks charge an interest on their customers that should be determined by the state and play the role of a filter to fit the state missions. This very long run rate is to be lower than the average targeted rate of profit. It is the second rule of the natural rate of interest.

- Banks to be short do not need own profits. Failures of the new entrepreneurs are automatically compensated by more indebtedness to the state issuing more money.(risque de dérive?)

Phase 7 circuit numbers 12-13/ The closure of the Post-Marxist circuit.

As soon as the new network of socially- legitimate firms start to function, henceforth appears the social gross income (12) on which tax liabilities are to be levied as already explained. When banks start to pay their debt to the state, those payments are included into aggregate tax payments. As already proven taxes are simultaneously destroying a share of state money initially injected and income (Parguez 2001). Since taxes destroy money, the state can never accumulate a hoard of its own money. In each period, it is obliged to inject a rising quantity of new money debt free.

Third part : Implementing the revolutionnary monetary circuit making full-sense of revolutionnary endogeneity.

It has been proven that There IS NO Alternative : Either the Post-Marxist revolutionary circuit is implemented or society is doomed to decay with corruption, poverty, outrageous inequality Roman-like of an ignorant ruling class of Super-Rich.

Thereby, how to get what is still a Model implemented before it is too late.

It raises two sets of questions :

First, a set of technical questions about the feasibility of the Post-Marxist agenda in the context of international unchecked capitalism led by mighty transnationals mixing banking and producing functions.

Second, which could be the most important set of problems, how to mobilize enough social forces to push for this agenda, what must be henceforth the nature of the state fully committed for its three normal or natural functions.

The technical and Socio-Political questions which are to be answered or How to implement The Salvation Agenda.

I/ A full sovereignty on the state currency is obviously required which excludes any exogenous constraint on the magnitude of the "Deficit". This first rule is absolutely inconsistent with the Euro-System as already shown (Parguez 2016) which should be jettisoned at once. All debts to banks contracted by the state to finance its expenditures are to be cancelled at once without any promise of reimbursement. In any case, they will never be paid back, their value is a mere fiction sustained by speculation.

II/ Would henceforth the state be short of funds to finance its current account. I do think that the answer is NO, the horrendous path followed by Greece is not a fatality imposed by the gods of finance.

First, even if the reconstruction of the society cannot be instantaneous, the state must denounce all WTO free-trade agreements and instore protection against imports undertaken by transnationals. Protection could be managed out of tax duties, quotas, even, in some exceptional cases prohibitions. Soon, as the state, freed from strait-jacket, reconstruct society, the need for imports through multinationals is to drop until they are not needed at all.

Second, all debts contracted to transnational banks to finance investment must also be cancelled at once. It would mean that the post-Marxist state, free of any false constraint on its expenditures, would be obliged to leave both the IMF and the world bank which are the last resort support of transnational American world financial capitalism.

III/ In any case, the new post-Marxist agenda is to grant perfect stability of prices for three major reasons:

-Thanks to the public sector, there is to be a dramatic drop in the cost of life softening the desperate search of high wages. In the society as a whole, the EFR role of the state is simultaneously granting true full employment and price stability. Such an outcome had been ignored by Keynes, Kalecki and many Post-Keynesians.

-The priority of investment into education and culture is to raise unceasingly labour productivity quite beyond former competitors which abolishes for ever the threat of wage-inflation which haunted even Kalecki.

-At last, in the private sector, perfectly tamed quasi-socialized capitalists no more afraid by absolute uncertainty, are charging a minimum and constant share or rate of profit (Parguez and Thabet 2017). The era of gigantic rewards for managers, share holders, traders is over, including bounties bestowed on the so-called "Economic Profession".

IV/ Finally a non-fixed exchange rate is perfectly germane to this agenda. What is indeed inducing tsunamis of speculation against a currency is the stubborn will of state rulers to maintain a rate of exchange in the wake of a catastrophe generated by their absurd policies (the case of Greece today is a perfect and dramatic example).

V/ The Socio-Political Conundrum.

Taking care of the total brain-washing by new capitalism out of its absolute control of communications, culture, teaching, social networks, dissent has been destroyed or corrupted. Class consciousness vanished a long time ago, the youth are begging for jobs, the old are full of hate and wait to be packed into new concentration camps under the guise of "la Maison de Retraite" (the house of the quasi-dead). As already said, Marx and Trotsky proletariat is dead as a conscious entity, it is the rule of the so-called "Middle-Class" only animated by hate of their collapse in the class structure and brain-washed by a Goebbels-like propaganda.

What could be done to awake the sleepers and attract support for the sole avenue to hope. I do believe in the resurgence of an enlightened grass-roots mobilization, rejecting the professional class of life-long politicians and technocrats, all of them part of the ruling class. I am quite

aware that they must be taught by a new generation of true intellectuals, the new Sartre, Simone de Beauvoir, Marx, Rosa Luxembourg...

To this illustrious people, I must add those highest minds in Mexico who could animate the alliance with learned and enraged Youth! I do not despair of the young generation. I hope that this modest essay could contribute to its awakening leading to the liberation of the state from its enslavement. It means a metamorphosis of the State from a pure technocratic agency to a state of the people without a cast of professional politicians and highly paid ultra-orthodox technocrats. Indeed, I am aware of the formidable obstacles to be abolished!¹¹

How to forget Leon Trotsky last words in his “defense of Marxism”. The ongoing catastrophe is already leading to a worse one : The return of the darkest past, the horses of Apocalypse both in USA and Europe!

Both new dark Lords, Trump for the USA and Macron for France, both being carefully built ex nihilo as supreme savior, by the ruling capitalist oligarchy to fool and bewitch if not damn their people! Herein is the best proof of the necessity of a Post-Marxist agenda : neither Marx, Lenin, Trotsky etc would have imagined the careful industry of fabricating leaders enjoying absolute power, France could be the “warning” of the darkest future with an ex-ante cult of personality.

Finally, it could be read as a time message to some enlightened far future. My main hope is that sooner or later, the overwhelming majority of the people ‘despising the accusation of being VOLKISH) is to discover that There is no Alternative. One cannot build a happy future by restoring slavery to a past that never existed. Keynes rightly failed because he was too much obsessed by the effort to convince the “Economic Profession”. Marx could not imagine the effort of capitalism to escape the fate of paralysis, the time has come for an effort of synthesis, the Post-Marxist approach rooted into a deep cultural and political revolution of which revolutionary endogeneity of money is the ultimate “weapon”.

My last words could be : There is no determinism! Markets were imposed by an authoritarian state on society their rule is to be destroyed by an enlightened society conscious of the incoming catastrophe. Could I be accused of dallying with an utopia? Relative to the dark present, yes but were this utopia be just a fairy tale, the ruling class and its many servants would not be that afraid of free-thinking, spending so much money to spread corruption and lies amid the society! Finally the totalitarian system of this early XXIst century is so much fragile that its rulers are haunted by the threat of the discovery of their lies. They strive to explain as “Natural” the enslavement of the State while it is just an artifact violating the normal and truly “natural” role of the State when money is endogenous. To prevent any misunderstanding, the three missions :EFR (employer of first resort) WFR(wagers taker of first resort) WSFR(welfare source of first resort) of the state which are required are indeed only justified if they aim at the creation of real net wealth for now and the future.

¹¹ One of the worse is the Socrates process- like for all those who advocate the reform being accused of « populism ». First, it is the proof of the absolute contempt of the servants of the ruling class for the “people”. Second, it hides an infamous accusation : “populism” is the translation of the Nazi concept of “Volkish” extolling the Volk, the “people” as a transcendental entity. The conclusion is obvious : denouncing a dying and destroying establishment part of the ruling class is to be... a kind of Nazi!

The proof of the absolute necessity of affronting conventional wisdom is the resurgence, at least in France and USA, of a new wave of ultra-rightwing intellectuals preaching the sanctity of “identity”, the coming “Decadence”. We are back to the thirties of the XXth century.

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