

This document is an excerpt from correspondence with a comrade in China which we decided to publish, thinking that it was likely to be of interest to a wider audience. It was written in response to the comrade's questions about class analysis of U.S. society, and is our attempt to provide an overview of some trends in the U.S. but is not a complete class analysis.

Comrade,

We have not yet carried out anything approaching a comprehensive class analysis of US society. That being said, we wanted to share a few provisional remarks with you on this and other topics. First, a bit about us. We are a small group that formed relatively recently. We have had some conversations with some ex-RCP people (who left in the late 1970s and early 1980s); however, our organization is a new effort by a younger generation of Maoists to revive the MLM movement in this country and chart a course forward. We have learned a lot from the older generation of comrades, but sadly they are generally retired from active organizing these days. Still, their insights into the successes and failures of the RCP and many other topics have been very helpful for us. The lack of direct organizational continuity with past communist efforts has some positive aspects (e.g. we do not have to break from various established negative trends that existed in the RCP, etc.), but overall also presents many challenges, as when we started a few years ago we were really beginning from scratch.

We are presently active in a few cities around the country, organizing on various fronts, including workplaces, student struggles, tenant organizations, and more. Our efforts so far are modest. This is in part due to our own weaknesses and in part due to the unfavorable subjective conditions for revolutionary advances at present, conditions which make advances difficult but not impossible. To give an idea of what this looks like, although the history of the U.S. is full of powerful people's movements and heroic struggles, there is at present a deep nihilism and subjective weakness among the masses. Given decades of defeats and setbacks, there is a low level of organization generally, and while there have been some powerful spontaneous upsurges, such as the recent George Floyd protests, these were relatively easily defeated by the ruling class through a mixture of repression, misdirection, and cooptation bringing things "back to normal." There have been some positive signs of late though, including a modest but significant uptick in labor organizing and actions, growing anger at the Democratic Party among progressive young people, strengthening anti-interventionist and anti-corporate sentiments among a section of what was formerly the Republican Party's base, and so on. Still, the masses are generally inundated with various distractions, especially social media and drugs, so there are many obstacles to building the unity of the people in struggle. In 2017, it was reported that the US consumed 80% of the world's opioid pills, despite only constituting 5% of the world's population. Since then, overdose deaths have continued to skyrocket, indicating that this trend has likely only gotten worse. It seems the Covid-related lockdowns also significantly increased popular addiction to social media as well.

This being said, in the U.S., the contradictions among the ruling class are intensifying, symbolized by the recent FBI and Department of Justice raids on Trump and many of his key allies. However, the divides are deeper than this, and relate to growing disagreements on how to best run things at home (e.g. promotion of more rightist populism vs. postmodernism and identity politics) and abroad. In general, the ruling class here is quite disorganized and sloppy, despite their enormous wealth and power, and they have something of a sense of their own incompetence and internal divisions (e.g. their inability to build a high speed rail line between Los Angeles and San Francisco, or deal with basic supply chain and production problems such as shifting things out of China given intensifying inter-imperialist conflicts, etc.).

While the U.S. economy has some weaknesses—as exemplified by the now regular supply-chain bottlenecks which the ruling class has no clear plan for addressing—compared to many other countries, things are relatively better here. Inflation is pretty bad (officially over 8%, actually closer to 17%), but nothing compared to the energy inflation in the EU or poor countries around the world. Food prices in particular are rising, and there is a major drought in agricultural areas, but the ruling class is relatively well positioned to handle this issue—at least in the short-term—given the large agricultural base in this country. And while other countries’ currencies (e.g. the Japanese Yen and the Euro) are losing value, the dollar is growing relatively stronger, in part due to a global flight of capital to the relative safety of the dollar. So, for the time being things seem poised to remain relatively stable here, though there will certainly be some openings domestically to organize around austerity, cuts, and so forth. Still, already 68% of workers live paycheck to paycheck and ~50% of the people in the country cannot afford an expected \$400 expense.

As for the classes in the U.S. there are five main classes: the monopoly capitalists, the non-monopoly capitalists, the petty bourgeoisie, the proletariat, and the lumpen. However, this is by no means a sufficient class analysis. For example, there is a significant labor aristocracy in this country. These constitute the better-paid stratum of the unionized working class, in various industries and in the government bureaucracy. In the wake of the social movements of the 1960s and 70s, the U.S. ruling class in particular opened various low level unionized positions in the government to oppressed minorities. This was in part a response to opposition to discrimination and racism; however, by making concessions and extending those jobs the ruling class cynically aimed to curtail future social movements and ally a better-off section of oppressed groups with the state. So now the situation is that actually a higher percentage of black workers are unionized (mostly in these low-level government jobs) than the white working class.

Not all of these workers at government agencies are part of the labor aristocracy, but some portion are. This needs to be further investigated. Actually overall, only around 10-11% of workers in the US are unionized, and among those who are unionized, the labor aristocracy constitutes a small percentage. Still, the big unions (even those whose workers receive the minimum wage or a little above) are all tied to the government very closely. But the vast majority of the membership of these unions is not particularly enthusiastic about union leadership, which provides some openings for organizing.

Likewise, the “labor force participation rate” in the country, which measures the percentage of able-bodied working age adults (who are not full-time students) who work at least one hour a week or are presently looking for work (filing for unemployment insurance claims) is around 62%. This means that over 40% of the population is not working at all (those not in the labor force and those who are in the labor force but officially counted as unemployed). Some small percentage of this group works “under the table”, meaning off the official books, for cash. There is large-scale unemployment in the US which is not captured by the official unemployment statistics (but which this labor force participation rate points to). A significant portion of the working class has become structurally unemployed and unemployable, and is being pushed into various forms of lumpen activity or dependence on meager state aid and welfare schemes. This has a significant ideological impact, and feeds into various individualist and lumpen ideological trends that the ruling class is promoting.

Since 2008 the ruling class has partially or even fully eliminated full-time employment for the working class in many sectors, forcing people to work many part-time jobs. This is tied to the rise of the “gig economy” where people work as “independent contractors” doing jobs like driving for Uber or shopping for one of the various grocery delivery apps. Workers in these jobs are extremely isolated generally. However, with this “gig economy” the ruling class has had some success in promoting an

ideology among the young people that actually these types of gig jobs are the best because “you are your own boss” and “you make your own schedule.” In reality, of course, people’s schedules are still dictated by capital by means of the algorithms used in these apps.

Since the 1960s and 70s there has also been a lot of outsourcing, moving production to other countries, and even to the US South away from urban centers in the north that were formerly sites of rebellion. There is still a significant industrial base in this country, but a lot of manufacturing has left, especially in the wake of the signing of NAFTA, which moved a lot of production to Northern Mexico. In many northern cities the service industry is the main form of employment for the working class. These jobs still involve cruel exploitation and oppression, but are often somewhat different than industrial jobs. In particular, there is often a smaller concentration of workers in a given location, which is less ideal for organizing and has various ideological impacts on workers.

A significant portion of the US working class is also made up of undocumented migrant workers, mostly from South and Central America. These workers work often for 16+ hours in agricultural fields and meat and fish processing plants in particular. They often live in extremely crowded living conditions, with dozens of people in a space meant for no more than three or four people. Since they do not have immigration status, they are constantly at the mercy of their employers, who can call the authorities to have them deported at any time. This is a typical response when these workers go on strike or protest. There are around 22 million undocumented immigrants in the US (possibly as many as 29 million, estimates and statistics vary). There has also been a major rise in child labor in recent years. Undocumented children are trafficked by the government after they are separated from their parents when crossing the border — from time to time a journalist will stumble upon a farm in rural America where dozens of 12 year old children from Central America labor in conditions akin to slavery.

Since 2008 (and to some extent even before, with the Dot Com crash of 2000-2001), many people within the petty-bourgeoisie have been pushed down into the working-class. There is some understanding of this social phenomenon and outrage at it. Occupy Wall Street was one such example. Still, many college educated people from this background see their downward social mobility as a temporary matter, and, even when working a working-class job, they struggle to identify with the other workers (who are often not college educated). Instead they often tend to suck up to management, retreat into various online “leftist” circles that actually tail the ideas of the Democratic Party, and dream of the day when they can get a “respectable office job.” That being said, recent unionization efforts at places like Amazon and Starbucks were in part led by some people from this class background (grew up petty bourgeois but then were unable to get a job in that class position after graduating college), so there is some indication of countervailing tendencies too.

Among the petty-bourgeoisie there are a number of different strata. For example, in recent years universities have sought to boost their profitability by creating a new, lower level of employment called “adjunct professors.” These are people who teach one or two classes at a college and get paid per course. They often have a very low income, sometimes even lower than minimum wage, but socially and culturally they are firmly part of the petty-bourgeoisie. Most of their struggles are to attain full professorship and not be driven into abject poverty. There is much to unite with here in such struggles, but they tend to be tied to the various reformist unions at present and find little resonance with the working class, although they are often strongly supported by college students and progressive intellectuals. In contrast, tenured professors at major universities often have quite a high income, a lot of job security, etc.

There is also a sizable intellectual labor force of programmers who are in the petty-bourgeoisie. In China, we have read that it is common for programmers to work the 9-9-6 schedule and, while they are compensated better than much of the working class, our impression is that their social position is quite different than programmers here. Starting wages for a programmer in the US are 3-5 times as much as an average worker, if not more. Many programmers work very lax schedules, have “unlimited vacation”, spend hours a day on social media instead of programming, and a few (especially at the big tech companies like Apple, Facebook, and Google) even make long tik-tok videos about how they are “living the life” of working just a few hours a day, eating luxury foods, and meditating to “self-actualize.” Generally among programmers there is a lot of focus on luxury consumption and related “hobby culture.” For some this is playing video games in all their free time, for others it is fine dining and travel, or home improvement, or outdoor hobbies like rock-climbing and fitness. There is also a significant section who engage in the larger music festival and drug culture (which is quite prominent among the upper-stratum of the petty-bourgeoisie).

In rural areas and some suburban areas, the petty-bourgeoisie, facing downward social and economic status, is more inclined to turn towards some right wing politics. However, this is something of a divided phenomenon, as the Democrats and Republicans both advance some progressive demands, but both do not actually carry through with them once they get elected. For example, much of the rural petty-bourgeoisie is inclined towards an “anti-interventionist” politics and is opposed to the Ukraine War. In contrast much of the urban petty-bourgeoisie is part of the Democratic Party’s base, is generally openly supportive of liberal ideology, and supports this war in Ukraine in the name of “Defending Democracy,” often to a disturbing and rabid degree. Likewise, there are strong libertarian trends among the rural petty-bourgeoisie. Libertarianism is an individualist and petty-bourgeois philosophy, but it is firmly opposed to the police state, censorship, to government spying, etc. The Libertarian Party released a statement at the start of the Ukraine War condemning the US for provoking this war, and calling for the immediate US withdrawal from NATO. The white working class in rural areas tends to follow these trends to various degrees too. In contrast, much of the urban petty-bourgeoisie and liberal intellectuals have rallied behind censorship in recent years, and likewise the popularity of the FBI and CIA has skyrocketed among them, as these agencies were portrayed as being (and to an extent were) “Anti-Trump.”

On a different note, since the 1960s and 70s there has also been a large-scale effort by the government to change the situation for various oppressed groups, and in an effort to prevent them from being able to organize popular resistance as easily. This has included working to remove the black and hispanic elite and petty bourgeoisie from the neighborhoods where the poor masses of these populations live. The better off members of these groups were provided with various subsidies to move to the suburbs and various reforms were passed to allow them greater access to better paying jobs and to more prominent roles in the government and corporations (provided that they did not “rock the boat”). The ruling class has also cultivated a pliant and controlled black and hispanic elite through various means to mislead people. For example, in 1967 Harvard University accepted 2 black students for their incoming Freshman class. In 1968 this rose to 100. This was not because Harvard stopped being a racist institution. The ruling class has also pursued a policy of “de-concentration of poverty” aimed at breaking up various urban ghettos and moving poor people from these locations into more scattered and dispersed areas, where they are socially isolated. All of this has had a significant impact.

It is also worth noting that in the US there is not really an independent black, hispanic, or other minority bourgeoisie. The big capitalists from these minorities are integrated into the US monopoly capitalist class. The black bourgeoisie did try to form an independent capitalist class at one point (in the

early 20th century), but the US government and capitalist class destroyed this effort in the 1921 Tulsa massacre. There are of course still various small capitalist firms run by oppressed minorities.

We are also presently debating whether it makes sense to discuss the oppression of black people as principally a national question. Historically, since the adoption of the Black Belt thesis communists in the US have supported the idea of a Black Nation. However, there are real questions if the Black Belt ever constituted a nation (e.g. given the fact that the black population and throughout the country was never mainly exploited by a black ruling class and therefore there was no economic unity of this area separate from the system of slavery and later share-cropping and tenant farming, where an almost exclusively white ruling class exploited the Black population, etc.) or if it makes sense to instead understand the oppression of black people in the US as part of a system of racial discrimination which developed in relation to slavery and later various forms of segregation, etc. This question is particularly relevant today where there is clearly strong internal economic and cultural integration of the US as a whole, and where black people now only constitute a majority of the population in a few small counties in the Black Belt. Regardless, the oppression of black people is a major contradiction in the US; there is a need to understand this issue objectively so that it can be properly addressed and overcome in the course of revolutionary struggle. We don't have firm answers to this question and we hope to engage in larger discussion and debate of the topic with other communist groups around the world too.

Amongst the monopoly class, as we noted above, various forms of decadence have been developing for a while now. This is tied in part to their shift to "clipping coupons" as they are increasingly removed from production, especially with the outsourcing of much of the industrial production in this country. Generally speaking, they don't have the patience for many details, and seem to increasingly think at the level of slogans and even internet memes. Recent bold statements from the Biden administration about shifting away from dependence on production in China and "friendshoring production" were made with much fanfare, but basic details about any plans are still lacking.

This decadence is also tied up with the proliferation of social media culture among the monopoly capitalist class. Elon Musk, for example, takes pride in being labeled an "internet troll" and "meme lord." Various politicians (including Trump, but also "progressives" like Alexandria Ocasio-Cortez) increasingly seem addicted to social media, and often conflate the feedback and "likes" they receive there with the larger social reality. This exemplifies the failure of the ruling class to train a generation of successors to the more competent imperialists who ran the country in the past. Obama was something of an exception to this trend, but it does not seem like other leading politicians or state officials are so competent at present. For example, two years into its presidency the Biden administration has still failed to appoint ambassadors to numerous Latin American countries. The compradors who run these countries are literally begging the US to invest there and provide bids on construction and infrastructure projects, but generally it is only Chinese firms who do...

All of these developments also relate to the tendency, since the 1970s at least, for the US ruling class to promote massive deregulation and tax cuts. During WWII and even before, the US capitalist state was relatively powerful and routinely intervened against any big monopoly capitalists who went against the collective interests of the US monopoly capitalists as a whole. This is an essential function for the bourgeois state to perform. However, the mechanisms for doing so have been significantly weakened in the last 50 years or so. The ruling class now identifies such mechanisms with "socialism"; in short, the consensus view among them is that they should be free to do what they please with their capital and that no one, not even the state, should have the power to stop them. This is a major weakness for the US monopoly capitalists overall, and is part of the reason they have had so much difficulty developing a unified and coherent policy to respond to the rise of China as a strategic rival. It has also eroded the

domestic tax base as the corporations and big monopoly capitalist often pay no taxes or even negative taxes (e.g. corporations use various loopholes to ensure that the government pays them each year when they file taxes, instead of the other way around).

What's more, these tendencies have led to various issues in the functioning of the state and in particular to a partial breakdown in the "separation of powers" between various branches of the government, which is so central to bourgeois democracy. The continuous and now routine government shutdowns (because of the inability of Congress to raise the debt ceiling) are indicative of this. Given these difficulties, the ruling class has adopted a "solution" of concentrating more and more power in the executive branch and ruling by what are called Executive Orders, which are little more than decrees signed by the President. Such concentration of power objectively is laying the foundations for a transition away from bourgeois democracy towards a form of Bonapartism or even fascism. This combined with the continued expansion of police power, surveillance, and the new "war on domestic terror" that Biden has announced has led us to conclude that the major danger of such a shift comes not from various right wing militias and fascist organizations (which are still very very small and weak, often numbering no more than a few dozen members), but from the sprawling security state, which the monopoly capitalist class could fairly easily use to promote fascism without widespread recourse to paramilitary and militia groups.

The decadence is not just on a large-scale social level or reducible to the overall anarchy of production. Actually, even within individual enterprises there is growing decadence and sloppiness. To give a few examples, in many operations the Taylorization of the production process has extended to gutting large sections of middle-management and reducing lower-level management to glorified foremen. This has cut labor costs to various degrees, but it often is quite disruptive to basic operations. What's more, given chronic understaffing in many enterprises, these low-level managers are constantly forced to work the floor, thus leaving them with little time to carry out management tasks. This leads to sloppiness all around, including in basic essential aspects of operations like ordering raw materials and good for the businesses in question. The wide-scale elimination of middle management also contributes to sloppy operations overall, lots of waste in production processes, and a basic inability to be objective—even from the perspective of the capitalists' class interests—about the material realities of running a given enterprise.

One example is of a significant sized grocery store in a major US city owned by a company making billions of dollars of revenue. The shelves are routinely poorly stocked and often have expired food on them. The back door has had the lock broken for months (allowing people to break in easily). The power jacks in the back of the store have not worked reliably for over 18 months. A new manager's "solution" to various problems was to "eliminate the night shift" which stocks shelves overnight to make sure the store is clean and shelves are full when the store opens in the morning. No changes were made to the times or responsibilities of other shifts in order to adjust for this elimination of the night shift. So naturally, it led to major issues and disruptions of the basic operations of the store. This store is not an exception, it is fairly typical; we have seen numerous other similar examples.

Another example: numerous companies had major shortages during 2020 and early 2021. They ordered as many goods as they could from various suppliers, hoping that at least some would come through and they could in turn be sold. These shortages of key goods disrupted their basic productive processes. They had semi-finished products sitting around everywhere. Then various bottlenecks cleared in the supply chain, and they suddenly had not too few goods, but too many. Since early 2022, demand has been falling significantly. Now many of these companies have far far too much inventory. Their warehouses are overflowing. They don't have experience running full warehouses because they

believed the paradigm of “just in time delivery” where any excess stock was considered inefficient, capital taking too long to turn over. Managers in their warehouses and higher level employees working their logistics operations are often at a loss for what to do right now, despite all of this being fairly basic and predictable, and even frequently discussed by bourgeois theorists of supply chain management (e.g. the “bullwhip phenomenon”).

We emphasize all of this to note the growing messiness internal to individual enterprises and operations themselves. This reflects the increasing decadence of the US monopoly capitalist class. While some adjustments are being made and attempted to address these issues, it seems that the general trend is toward more decadence and sloppiness, not towards a broad-scale reorganization of production and adoption of more objective practices. This decadence obviously can create some favorable circumstances for organizing, giving the, at times, glaring ineptitude of those who are “in charge” in a given operation and in society as a whole. However, it also reinforces a general sense of nihilism and “whateverism” among the broader population. When the leaders are such idiots, things seem to be falling apart and going from bad to worse, and there is no clear force or strong organized movement proposing a real alternative, many of the masses simply “keep their heads down” and turn to various distractions. This, of course, is something of a temporary phenomenon, and in the long run the people will rebel in powerful ways, but right now these feelings of apathy and hopelessness are quite prominent in the society.

While there are non-monopoly capitalists in the US, the overall degree of monopolization of the economy has been quite high for a long time. That being said, there are still a number smaller capitalists which are constantly squeezed by big capital. Many of these capitalists pay rent or mortgages to the monopoly capitalists, are dependent on them for their basics supplies, and often take loans from them. So, much of the surplus value produced by the workers employed by these small capitalists is gobbled up by the monopoly capitalists. Some of these non-monopoly capitalists fare pretty well, but many face a lot of difficulties maintaining their operations given how the big monopolies like Amazon (which not only has commercial and financial arms but also a significant industrial arm as well) constantly levy tribute from them.

Statistics about small businesses are somewhat helpful in clarifying the situation for these non-monopoly capitalists. However, it should be noted that the official statistics around small businesses are flawed. Small business generally refers to a company with fewer than 500 employees but sometimes up to as many as 1,500. These may be small restaurants, big law firms, or anything in between. Some of these “small businesses” are really front operations set up by the monopoly capitalists, others are owned by members of the petty-bourgeoisie who have a few employees but make more than 50% of their income through their own labor in their businesses. However, some significant section of small businesses are run by non-monopoly capitalists.

The Covid lockdowns and policies hit small businesses (most of which were already in significant debt) particularly hard. It is estimated that in 2020 alone, more than 100,000 small businesses permanently closed. Likewise, this October (2022) more than one-third of all small businesses couldn't pay rent. So this trend is continuing, especially as we now enter into a more significant and sustained economic downturn. There has been some talk among the ruling class of creating a US Mittelstand of manufacturing small businesses like exists in Germany, but no concrete plans have been advanced in this regard.

These are just a few basic remarks to give you a sense of our general views on the situation in the U.S. right now. We'd be happy to elaborate further on any topic and answer any questions that you might have.