III. Theory of Monopoly Capitalism

A. Thesis: The U.S. economy and increasingly the global economy is dominated not by laws of the market place, but by large multi-national corporations that shape political, social, and cultural life in their interests.

B. Multinational corporations

1. Definition

2. size

a. vs nations

b. 500 largest corps in U.S.:

i. 50% of assets, profits, sales

ii. largest shareholders

c. globally

d. too big to fail

3. Shared monopolies

a. definition

b. U.S.

i. Sherman Anti-Trust Law 1890

ii. examples

c. globally

4. Trends

a. mergers

b. acquisitions

c. interlocking directorates

d. shared ownership

e. examples

i. U.S.

ii. globally

C. Institutional analysis

1. Shared institutional logic: maximize profit

2. Common goals:

a. expansion

i. new markets

ii. deregulation

iii. privatization

iv. access to resources

v. liberalized speculation

vi. property rights

b. cost control

i. labor

ii. automation

iii. deregulation

c. control national political systems.

i. deregulation

ii. wealthfare

d. control mass media

D. Monopoly capitalism and the free market

1. law of supply and demand/or invisible hand

a. shared monopolies and competition

i. interlocking directorates

ii. shared ownership

iii. trade groups

b. supply and demand

i. monopolizing supply

ii. what demand?

2. accumulation of profit

a. re-investment v distribution of profit

b. disinvestment in first world

c. new technologies of production

3. Good for worker

a. automation and deskilling

b. offshoring and outsourcing

c. power over labor

i. strikes

ii. job flight

4. laissez faire

a. deregulation

i. concentration

ii. voluntary regulation

b. government subsidies $400 billion

E. Monopoly capitalism and U.S. institutions

1. U.S. Democracy

a. electoral process

b. legislative process

c. judicial/legal

d. regulatory

e. mass media

2. U.S. Plutocracy

a. electoral process

i. two factions of the business party

ii. campaign financing

b. legislative process

i. campaign financing

ii. lobbying

c. judicial/legal

d. regulation

i. voluntary

ii. “revolving door”

e. media

i. ownership

ii. distraction

iii. stupification

3. Mass Media and false consciousness

a. corporate news: profit

b. news as entertainment

i. “the show”

ii. “the stories”

time

content

iii. fear, buy, fear, buy, Brittany, buy, weather, buy, sports,

buy, dog finds way home, buy

iv. Campaign 2008

“The Horse Race”

Scandal, innuendo, film, expert (blah blah blah), buy, buy, buy, the polls, experts (blah, blah, blah),

anti-guest/expert, shut up, shut up, buy, buy

v. War: “Militainment”

4. Entertainment

a. “the show”: wrapper

b. advertising: package

c. advertising: art of making people want things

d. advertising: art of making people that want things.

e. identity: consumer

F. Globalization

1. Def: Globalization

2. Goal: global “free market”

a. means: free trade

i. free trade agreements: NAFTA, GATT

ii. rules and regulations: no tariffs or subsidies

iii. regulatory institutions: WTO

b. loans and aid: IMF, World Bank

c. structural adjustments programs

i. privatize publicly owned industries

ii. open markets

iii. sell resources cheaply

iv. raise export crops (cash)

v. user fees for education and health

vi. privatize government services (water)

vii. downsize government (jobs)

viii. eliminate unions

ix. “export processing zones”

2. Marx and globalization: resistance

1. saying “No” to trade agreements

b. nationalizing industry and resources

1. no more “loans” from World Bank and IMF
2. electing leaders who say “No”
3. “other ways”