world that your generation and mine took for granted, but they gave rise to neither a new type of capital nor a new class who could challenge the capitalists for dominance.

But the technologies that spawned cloud capital have proved more revolutionary than any of their predecessors. Through them, cloud capital has developed capacities that previous types of capital goods never had. It has become at once an attention-holder, a desire-manufacturer, a driver of proletarian labour (of cloud proles), an elicitor of massive free labour (from cloud serfs) and, to boot, the creator of totally privatised digital transaction spaces (cloud fiefs like amazon.com) in which neither buyers nor sellers enjoy any of the options they would in normal markets.[3] As a result, its owners – the cloudalists – have acquired the ability to do that which the Edisons, the Westinghouses and the Fords never could: to turn themselves into a revolutionary class actively displacing the capitalists from the top of society's pecking order.

In the process, the cloudalists – some consciously, others unthinkingly – have changed everything that previous varieties of capitalism had taught us to take for granted: the idea of what constitutes a commodity, the ideal of the autonomous individual, the ownership of identity, the propagation of culture, the context of politics, the nature of the state, the texture of geopolitics. The pressing question is: how did the cloudalists finance all this?

The early industrialists funded their factories, steamships and canals with the blood and sweat of African slave labour and loot from American and South Asian lands and peoples. Later, the Edisons, the Westinghouses and the Fords used monies conjured from thin air by private bankers who morphed into Big Finance in the process. The cloudalists did

all public, [illegible] cloud serfs)

[bankers dissolve [illegible] [illegible] (i.e. did you become [illegible] of whole capital)

something subtler and more impressive: they helped themselves to the rivers of cash that were being printed by the central banks of developed capitalist states.

It was nothing short of a coup. Imagine getting the world's richest capitalist states to print the money that allows you to build a new type of capital stock. Imagine that this new type of capital stock comes with the inbuilt superpower to get billions of people to reproduce it on your behalf for free. Imagine further that this type of capital, funded by state monies and reproduced by citizens' free labour, intensifies your power to extract surplus value from proletarians who are working for shrinking wages under worsening conditions – but also from capitalists forced to remove their wares from traditional markets and to sell them via your cloud capital. You wouldn't even need to laugh all the way to the bank since you would be much wiser to keep your stupendous gains stowed in some digital wallet within your cloud capital empire rather than in an account with some pathetic banker.

It sounds implausible. How on earth did the cloudalists convince major central banks to fund them in this way? The answer is: they didn't have to.

bankers have been upending capital for cloud capital

2008's unintended consequences

In the fifteen years since capitalism's near-death experience, central bankers have been printing monies and channelling them to the financiers, entirely of their own accord. In their minds, they have been saving capitalism. In reality, they have been upending it by helping to finance the emergence of cloud capital. But that's how history arrives: on the coat-tails of unintended consequences.

more from slave labour to private bankers to [illegible] of public money

The central bank money-printing bonanza began in 2008, shortly after the comprehensive implosion of the West's banking sector. Politicians and central bankers then feared that if they let the banks fail and people's savings disappear, as Herbert Hoover's administration had done in 1929, they would precipitate a second Great Depression. So at their London summit in April 2009, the G7's central bankers – along with their presidents and prime ministers – agreed to do whatever it took to refloat the banks. That was sensible.

What was preposterous was that, in addition to saving the failed banks, they bailed out the quasi-criminal bankers responsible for their failure, along with their lethal practices. And far worse, in addition to practising socialism for the bankers, they subjected workers and the middle class to vicious austerity.[4] Cutting public expenditure in the midst of a Great Recession is always a terrible idea. Doing so while also printing mountains of money for the financiers wins the prize for conspicuous stupidity. Not only was it a brazen double standard that did untold damage to a generation's faith in the political class, it did something lethal to the economy.

Austerity is not just bad for workers and people in need of state support during tough times, it also murders investment. In any economy, what we spend collectively translates automatically into what we earn collectively. The definition of a recession is when private expenditure is falling. By reducing public expenditure at precisely the same moment, the state accelerates the decline of economy-wide expenditure and thus hastens the rate at which a society's total income is falling. And if society's total income is falling, businesses are hardly going to spend money building up capacity when consumers don't have the money to buy. That's how austerity slays investment.

cutting public spending + / creating money for banks

[from democratic strikes [illegible] to cloudalism

With investment first knocked out by the crash of 2008 and finished off soon after by austerity, throwing new money at the financiers was never going to resurrect it. Put yourself in the position of a capitalist at a time when austerity is eliminating your customers' income. Suppose I give you a billion dollars to play with for free, i.e. at a zero interest rate. Naturally you will take the free billion but as we've established you would be mad to invest it in new production lines. So what are you going to do with the free cash? You could buy real estate or art or, better still, shares in your own company. That way, the shares in your company appreciate in value and, if you are the CEO running it, your stature and share-linked bonuses rise too. No new investment, in other words, but a lot more power in the hands of the powerful.

This is exactly what happened. Seeing that the vast majority were likely to be stuck in poverty and precarity for the foreseeable future, Big Business went on history's deepest and longest investment strike, while spending large sums on things like real estate deals that gentrified neighbourhoods and deepened divides. Every Gilded Age has seen inequality rise, with the rich profiting faster than the poor. The post-2008 era was different. Inequality rose not because the poor saw their incomes rise more slowly than the rich – no, their incomes actually fell, just as the financiers and Big Business raked it in.

When an activist state makes fabulously wealthier the same bankers whose quasi-criminal activities brought misery to the majority, while they are punished with self-defeating austerity, two new calamities beckon: poisoned politics and permanent stagnation. The poisoned politics we need not elaborate on – from Greece's neo-Nazis to America's Donald Trump we have all lived through the nightmare. But permanent stagnation? Why would more wealth for the ultra-rich stagnate capitalism? And how did it lead to the funding of cloud capital?

Poisoned money, gilded stagnation

The term 'inflation' refers to an increase across the board in the price of most things. Sometimes, when the price of bread rises it's simply because flour has suddenly become scarcer or bread more fashionable. But in the case of inflation, the price of one thing rises because the price of *everything* is going up, so *everyone* needs more dollars, yen or euros in order to buy their loaf of bread or cup of coffee or smartphone, not just the baker. That's how inflation *depletes money's exchange value.*

Capitalism famously drove a wedge between the value and the price of things. Money was no exception. Money's exchange value reflects people's readiness to hand over valuable things for given sums of cash – a value that inflation diminishes, as we have just seen. But under capitalism, money also acquired a distinct market price: the rate of interest you must pay in order to lease a pile of cash for a given period. The price of potatoes drops when there are stockpiled potatoes that no one wants to buy. In just the same way, when the demand for money (for loans, that is) lingers below the quantity of money available to be lent, its price – the interest rate – declines. Under capitalism, Big Business has the capacity to borrow most of the money that lenders, mostly rich people with large savings, are willing to lend (which is what they are doing when they invest in a bond). So it is Big Business, with its appetite for borrowing, that

determines the overall demand for money. In theory, central banks are able to influence interest rates by adjusting the rate at which they lend money to other banks, allowing them to pass on the lower rate, and thereby to stimulate or discourage investment. But overall interest rates are determined, as with any market, by the overall supply of and demand for money.

After 2008, and especially during the pandemic, a strange thing happened. Money held its exchange value – that whole period, from late 2008 to early 2022, was one of very low (sometimes negative) inflation – but at the same time its price (i.e. the interest rate) tanked, even turning *negative* on many occasions.[5] This was a reflection of the fact that austerity was nullifying business investment and so business people's demand for money was pitiful. But surely, if the central banks keep reducing interest rates, there would eventually come a point where money was sufficiently cheap that borrowing and investment would pick up again? Not so.

In the case of potatoes, microchips or cars, falling prices generally cure an oversupply problem (i.e. where supply outweighs demand) in exactly this way: bargain-hunters swoop in while producers cut output, and thus the price 'correction' eliminates the excess supply. But when it comes to money, something different happens. When its price – the interest rate – drops fast, capitalists panic. Instead of rejoicing that they can now borrow more cheaply, they think: 'Sure, it is a good thing that I can borrow for next to nothing. But for the central bank to allow interest rates to drop so much, things must be looking grim! I won't invest even if they hand me the money.' That's the reason investment refused to recover, even after central bankers cut money's official price to almost zero. And that was only half of their post-2008 nightmare.

Zero-interest money stops big alteration
[illegible]

The other half was the failed bankers' stranglehold over everyone, including central banks and governments – a legacy of three decades of the American Minotaur's rule over global capitalism. Their stranglehold came in handy once their banks began sequentially to topple between 2007 and 2011. One panicky phone call was usually all it took for a banker to get the state to bail him out and give him an open-ended overdraft facility.[6] From late 2008 to early 2022, Europe's, America's and Japan's central banks pushed walls of freshly minted cash into the accounts of the financiers,[7] making the interest rate conundrum far worse than it already was. By boosting magnificently the supply of monies that Big Business refused to invest,[8] socialism for financiers pushed the interest rate deeper and deeper towards negative territory.

called banks help Finance 2008–2022

It was a strange new world. Negative prices make sense in the case of bads, the opposite of goods. When a factory wants to get rid of toxic waste, it charges a negative price for it: its managers pay someone to get rid of it, a costly process especially if it is done in an ecologically considerate manner.[9] But how could money become a bad to be offloaded? When central banks began to treat money like a car manufacturer treats spent sulphuric acid, or a nuclear power station its radioactive wastewater, that's when we knew there was something rotten in the kingdom of financialised capitalism.

money becomes a bad

How can money acquire a *negative* price? It was you, Dad, who helped me come to grips with the paradox of negative interest rates. By introducing me to Einstein's theory that light has two natures, you opened my mind to the twin nature of labour, capital and, yes, money. Money's first nature is that of a commodity that we trade like any other for other commodities. But money, like language, is also a reflection of our

Socialism for bankers created stagnation

relationship to one another. It echoes how we transform matter and shape the world around us. It quantifies our 'alienated ability' to do things together, as a collective. Once we recognise money's second nature, everything makes a lot more sense, for it was this collective ability that was broken. Poisoned money flowed in torrents but not into serious investments, good-quality jobs, or anything capable of re-animating capitalism's lost animal spirits. Instead shareholders and executives bought land, empty warehouses, art, Swiss chalets, whole villages in Italy and even islands in Greece, the Caribbean and the Pacific. They collected football clubs, superyachts and, at some point, began to buy digital assets like Bitcoin or something called NFTs that they neither understood nor knew what to do with. This is how socialism for bankers and austerity for the rest of us thwarted capitalism's dynamism, shoving it into a state of gilded stagnation. As we shall now see, cloud capital was the only pulsating, stirring force to benefit from the poisoning of money.

poisoned money → cloud capital

How profits became optional for the cloudalists

optional profits

I remember being puzzled during the late sixties when you and Mum would sometimes diverge from your obsessive discussions about the junta – the term Greeks used for the fascist dictatorship ruining our lives – to talk about something called 'the right'. From what I could gather, it sounded like a cross between the divine and the abominable. So I asked you: 'What is the right, exactly?' After your usual journey through the mists of history – describing how in the National Assembly spawned by the French Revolution in 1789, hardened revolutionaries wanting to topple the King