

A genuine materialist conception of history otherwise explains the excess energy phenomenon in terms of the state of productive forces at the disposal of society and the nature of the dominant relations of production; reaching an entirely different conclusion regarding a remedy.

Starting with Leon's theory of the People class and the historical tendency of Jewish concentration in petty bourgeois class-locations, specifically trade professions,⁵² then recall Marx provides a partial explanation in his law of development, which states: "The degree of development of merchants' capital is inversely proportional to the degree of development in industrial capital."⁵³ Marx is even more explicitly to the point in his following remarks:

"Historically, the form of industrial profit arises only after capital no longer appears alongside the independent worker...the trading peoples of antiquity, like the gods of Epicurus in the spaces between the worlds, or rather like the Jews in the pores of Polish society. Most of the independent trading peoples or cities attained the magnificent development of their independence through the carrying trade [author's emphasis] which rested on the barbarity of the producing peoples between whom they played the role of money (the mediators). In the preliminary stages of bourgeois society, trade dominates industry; in modern society, the opposite...capital arises only where trade has seized possession of production itself and where the merchant becomes producer, or the producer mere merchant." 54

In these observations from economic history is a powerful explanation of Jewish displacement and of the "excess-energy tragedy" concomitant with the very rise of capitalism. In fact, both Marx and Engels had already explicitly stressed the tendency of this traditional petty bourgeoisie to be undermined with the establishment of the dominance of the capitalist mode of production and its reproduction.

In his theory of imperialism, Lenin demonstrates the intensification of