

Bulletin of the
Communist Workers
Organisation

Affiliate of the
Internationalist
Communist Tendency

No 47 Spring/Summer 2019

AURORA



Climate Change:

Capitalism is the Problem

The capitalist mode of production, characterised by exchange for profit, private property, wage labour and capital accumulation, has only existed for around 300 years. Since the late 19th century it has found its way to even the most remote corners of the Earth by the way of exploitation, dispossession and imperialist competition. It has brought immense scientific and technological progress but at great cost. Wars, poverty, hunger, inequality, and oppression have plagued this system throughout its existence.

We have been on this planet for roughly 300,000 years, in one way or another shaping and re-shaping the 'natural' environment. It is no coincidence that the impact of human beings dramatically increased with the arrival of the capitalist mode of production, which, as Marx put it, "comes dripping from head to foot, from every pore, with blood and dirt".

Now, at last the fact that capitalism is the major cause of global warming and threatens the existence of life on earth is accepted by growing numbers of people. Young people in particular are horrified to realise they will face 'natural' disasters threatening the conditions of existence of humanity in their own lifetime. For many, the logic is obvious: since capitalism is the cause of the problem, capitalism must be got rid of. Or must it? Many are deluded into thinking that a more realistic option is to nudge capitalism into reforming itself.

If only things were so simple. It's easy to become exhilarated in the various movements to save the planet. Earth Strike is skilful at flagging-up demos but their radical-sounding demands are in fact utopian. "Until the world's governments and businesses are held accountable to the people, we are refusing to participate in the system that fills their pockets. There will be no banking, no offices full of employees, no schools full of children, until our demands are met". OK, capitalism – or "governments and businesses" can tolerate the occasional walk-out of kids from the classroom and the kids themselves will face no great loss. But an effective global strike would have to involve a prolonged refusal of masses of wage slaves to go to work, and for millions that means they wouldn't have the means to live. Maybe they would even start running things for themselves. Indeed, revolution against capitalism is the only way

to start to remedy the damage capitalism has done and is doing to the environment. But that must come from a conscious movement of the world's exploited: the wage slaves, the working class, not the all-inclusive 'people' – bankers, bosses and all. The Earth Strikers are plainly not aiming to get rid of capitalism. Far from it, their vision of "governments and businesses" that are "accountable to the people" has no mention at all of any changes to the capitalist world order. This is obvious from their call for an "immediate start on global co-operation"; "International, unambiguous and binding commitments"; ditto for "agreements" ... never mind their stated "commitment to St. Paul's principles of activism" which brings a whole new Christian spirit to this pie-in-the-sky reformism.

And whilst talking of pie in the sky, we might mention Extinction Rebellion, another radical reformist grouping which claims inspiration from various celebrated 'non-violent' figures, from Gandhi to Martin Luther King. They want the government to "tell the truth", "enact legally binding policies to reduce carbon emissions to zero" and "a national Citizen's Assembly", to oversee it all. Presumably they mean after the Brexit paralysis is resolved.

Factions of the Establishment propose a Green New Deal

In the light of this, it is no surprise that some reformist politicians have suggested a so-called Green New Deal that will solve the environmental question and remedy capitalism's listless economic growth. It harks back to Roosevelt's New Deal of the 1930s, a state capitalist response to the Great Depression of 1929 that sought to provide relief for the unemployed and poor and reform the financial system to help the economy recover. In the aftermath of the 2007-8 financial crisis, sections of the US Democratic Party (Ocasio-Cortez and the Sunrise Movement) and the UK Labour Party (Labour for a Green New Deal), as well as Green Parties across the world, now seek to kickstart the troubled economy with a set of new policies, a "green jobs revolution", which will combine economic growth with an environmentally conscious approach.

The Green New Deal would aim to tackle climate change by a gradual transition to renewable

energy and investment in social welfare, without upsetting the internal dynamics of capitalist accumulation. The state would funnel money into clean energy and social programmes, set up 100,000s of new green jobs, and attempt to reduce toxic air pollution. The expected result would be the decarbonisation of the economy, minimising the output of greenhouse gasses. This is in line with the provisions set out by the Paris Agreement (at least 40% cuts in greenhouse gas emissions by 2030, an 80-95% cut by 2050). The actual implementation of the Green New Deal remains vague, and whether the material resources for such a move exist or not is being questioned. But even if some form of the deal was to actually pass into law, it would be too little, too late, and it would not address the cause of the problem.

Roosevelt's New Deal did not solve the economic problems of the US. In fact, the 1950s economic boom only happened thanks to the destruction wreaked on the planet by the Second World War, a massive devaluation of capital which restored profit rates and began a new cycle of accumulation. In 2019 we are in a similar position. Without a drastic devaluation of capital (the consequences of which would be tragic), the system is unable to produce an economic boom that would finance renewable energy and social welfare. The 2007-8 financial crash is still with us. It is a ticking time bomb. The ruling class has no real answer to this crisis, and any short-term solutions will come at the expense of the working class. State expenditure will be financed by appropriation of more and more surplus value from our labour. Rather than a Green New Deal, we are much more likely to see a state led Green Austerity. Solar and wind energy paid for by higher taxes and quantitative easing, fortified by nationalism, an enhanced border regime and population control (i.e. decarbonisation with Chinese characteristics).

The problem is capitalism We have only two or three decades to overturn it

Production based on never-ending accumulation, no matter the consequences, is the prime motor of the capitalist system. For life on earth to remain sustainable the choice facing humanity is simpler than ever. Either we put an end to the current capitalist system which has already dragged us beyond the point

of no return, or we face social and ecological collapse within the next few generations. The ruling class, with its private jets and helicopters, security guards, bunkers and luxury apartments, are already planning how to escape the effects of climate change, rising sea levels, and all kinds of disasters.

On the other hand, the global working class and the poor will have no such privilege. We are already paying for capitalism's economic crisis. This is now merging with the environmental crisis. And again we are the first victims. The recent Cyclone Idai which hit southern Africa has left behind at least 750 dead, hundreds more missing and 100,000 now living in camps with the looming threat of cholera and malaria outbreaks. Disasters like this are only going to become more frequent and more intense. Along with the threat of imperialist war, the upcoming environmental crisis may not be as sudden but it will be no less serious.

It does not have to be this way. It is in our interest as workers to organise towards a new mode of production before it is too late. One where need and not profit guides our collective decision making. Where a global solution to environmental damage will be possible because classes, states, borders and money are a distant memory of a homicidal self-destructive past. Where humans can meet the challenges of the natural world through mutual aid and not cut-throat competition. That is our solution. Unlike the utopian schemes to push existing governments into saving the planet, worldwide communist revolution, where the producers decide collectively what they need to live in the light of what is sustainable, is the only practical alternative. The material conditions for this already exist (houses stand empty while people sleep on the streets, food rots on the shelves or is simply thrown away while millions die of hunger, technological advances are wasted on war machines rather than medicine, exponential amounts of personal consumer goods in 'rich countries' are thrown away just because of fashion). But as long as capitalism rules, environmental destruction will continue.

We have a world to save. In the process we need to abolish the system of profit for the few and take over the running of things from the ground up.

What We Stand For

The CWO stands for a global society where production is for need and not profit (and is therefore sustainable), where the state, national frontiers and money have been abolished, where collective power is exercised through class-wide organisations like workers' councils. This has to mean the active, daily participation of the majority aiming for the interests of all. Only then can the world be rid of the capitalist offspring of poverty, hunger, oppression and war: We call it communism but this vision has nothing in common with Stalinist state capitalism and the old USSR.

In order to get there we are working to create a world proletarian political organisation: a 'party' for want of a better word: not a government in waiting but a guide in the struggle for a new world. We by no means claim to be that party but we do aim to be one of the elements which will need to come together in its formation. As the working class is more and more faced with the consequences of a crumbling capitalist system it will have to unite and confront capitalist power.

We are not in competition with other organisations but seeks to unite on a clearly agreed political programme to prepare the way for the majority of the world's population, the exploited of the earth, to overthrow the capitalist system and its bloody imperialist appetites.

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Facebook: Communist Workers' Organisation
Twitter: @CWOUK

Towards the Future International

**Public Meeting
3pm, May 11th
Calthorpe Arms,
London, WC1X 8JR**

Communist Workers' Organisation // leftcom.org

Crisis, War and Environmental Catastrophe: There is No Alternative to Social Revolution!

An Economy in Crisis

The world of 2019 is still dominated by the same elements that led to the worst financial crash of the post-war period a decade ago.

Despite productivity increases, despite shifting production to low wage economies, the profitability of investments in the advanced capitalist sectors has been declining for decades. As a result, more and more capital has abandoned the “real” economy – the one that produces goods and services and which creates new value through the exploitation of labour power – in order to chase the mirage of easy profits offered by speculation. This only further depresses “real” production and compounds the growth of fictitious capital, or financial instruments backed by nothing more than debt based on easy credit. Thus the world economy was flooded by an ocean of debt – from the State, to companies and even families. When interest rates rose slightly the bubble burst with the global consequences we have all seen. The explosion not only hit the financial apparatus – the banks which had to be saved at any cost (too big to fail) – it also had a heavy impact on the fragile productive fabric, bringing lower wage rates and greater exploitation for the international proletariat.

Now the situation is even worse. Between 2000 and 2009 global debt (state, corporate, personal) rose from \$57 to \$109 trillion. By July 2018 it had risen to \$247 trillion. In 2019 global manufacturing output is falling. So too is global trade. Corporate profits, which are the main driver of investment, are also declining in some of the richest economies. China has just announced the biggest drop in industrial profits in ten years. More than a decade of state dodges to pour money into the system have not fundamentally changed anything. At least 20% of the world’s companies are “zombies” (i.e. don’t earn enough to service their debt). The IMF has cut its world growth forecasts for the next two years, calling on governments to cut debt and balance budgets so that they have some wriggle room when the bad times return (these are apparently “good times”!). In short, the system is still in the grip of the same problems as ten years ago. Sooner or later another crash is in the offing but they won’t be able to repeat the same tricks to save it next time around.

The Capitalist “Solution”?

For the moment capital is resorting to short term ploys to get out of the mess: competitive devaluations, speculation, import duties, more intense exploitation of the workforce, and dismantling of the welfare state. Thus competition is increasing on all fronts but as this fails to revive profit rates it is turning into more open military confrontation. In the final analysis

only a substantial destruction of capital values can resolve the crisis of profitability of capital. It was no accident that productive sectors were most devastated in the Second World War since it was this destruction of capital which laid the basis for the post war recovery.

There are already dire consequences around the world. On the edges of the system states are failing (Somalia, Mali, Congo, etc) and/or are engulfed by civil wars as in Yemen, Libya and Syria. The latter is in ruins with two million dead and over four million refugees, and more than half the population “internally displaced”. Turkey, Russia, Iran and the Shiite axis are on one side. The US, Israel and the Sunni axis are on the other. Each has its own interests to defend, whilst in the middle the various Kurdish nationalisms have become the military instrument of one imperialism and thus the target of attack for others, even though they are part of the same coalition. It is no figment of the imagination to think that the next financial crash will lead to an even worse economic situation worldwide, intensifying existing wars, promoting new ones and generally increasing the danger of more widespread war.

A World on the Edge

But another global war is not the only threat that capitalism poses for humanity. As the front page article shows, environmental activists have been very good at publicising the consequences of global warming and degradation of the natural environment (Arctic ice sheets, melting tundra, deforestation, oceanic pollution etc) but cannot offer a solution. This is because they will not tackle the root cause of the problem which is the capitalist system itself. Only when ecological problems start to affect profits do capitalists start to treat them seriously but by then it is too late to reverse the damage.

Many “green proposals” are middle class capitalist “solutions”. Some are just another capitalist racket, like carbon swaps. Others hit the working class and the poorest in society the hardest with green taxes. By constantly talking of what “we” must do (as if workers were responsible for the misdeeds of the system) and ignoring the class divide in society “Greens” pose the solution as a choice for individuals and not an issue which can only be seriously tackled once the system is overturned. The entire system of production based on wage labour and capital needs to be replaced with a sustainable system which produces for human needs, not for profit.

There is an Alternative: Class Struggle

The contradictions of the capitalist system today threaten not just the daily lives of most of the world’s population, but the very future of

humanity itself. Since the bailing out of the banks there has been an obscene concentration of wealth in fewer and fewer hands. The number of billionaires has almost doubled. Last year 26 people owned as much wealth as the 3.8 billion poorest on Earth. The gulf gets wider every single day. Quantitative Easing etc has only postponed the crisis and is being paid for by the world’s workers. Austerity involves a direct attack on wages (which overall continue to fall despite minimum wage laws), increasingly intense and precarious work, cuts in welfare, cuts to vital services like education, health and care of the elderly.

The answer is not, as the reformists claim, “taxing the rich”. Exploitation and oppression would remain untouched. The deeper economic crisis would remain.

So far the response of the working class across the globe has been muted. There are many complex reasons for this. The massive restructuring of production which saw manufacturing shift from the heartlands of capital to the low-wage periphery disorganised the class for decades. Today some still fear to fight back in case their precarious situation is made worse. This makes it difficult for those ready to fight to organise any kind of collective resistance. Even worse, the various ideological assaults by nationalist, xenophobic and “identity” propaganda have undermined the working class sense of itself and hence its collective strength. Most obscene of all is the deflection of anger away from the real villain, the capitalist system, towards the “other”. Migrants who are driven to the North by the very wars, environmental degradation, and poverty that the system has itself produced, face officially-orchestrated racism and discrimination if they survive the journey.

Yet the international working class remains humanity’s last hope. As the collective producer class, which actually does the work to produce the real wealth of the world, it potentially has the capacity to halt the system in its tracks. And more than that. In its collective fight against the evils of the system it not only produces its own bodies to run strikes but the basic organisation of a new society as well (workers’ assemblies can become workers’ councils, strike committees can become factory committees). As yet this is some way off but there is reason for optimism.

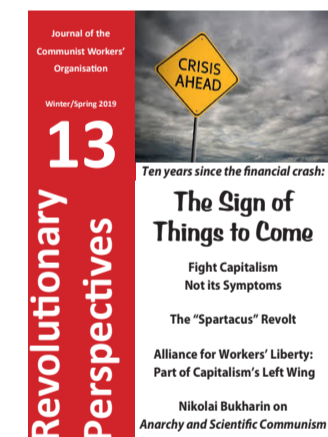
The wildcat strikes in Mexico’s maquiladoras, the ongoing class struggle across Iran accompanied by calls for workers councils, and the sea of industrial unrest that is China (where 400 strikes in the first two months of this year have been admitted officially) all point to a long overdue rise in class resistance. Embryonically the world working class is beginning to declare its opposition towards the capitalist system.

Equally encouraging has been the renewed interest in communist minorities amongst a new generation. Rejecting support for any side in all the imperialist wars going on around the planet, they oppose reformism as well as the idea that the USSR was ever socialist, or that there is any socialist model to be found anywhere in today’s world. In addition to the grass root organisations mentioned above, the working class also needs to forge a political weapon that outlines the path to a new society. By drawing together the communist minority in the class it will be in a position to lead the political assault against capitalism and all the false “socialist” solutions put forward by the left wing capitalist parties from Maoists and Stalinists to Trotskyists and Social Democrats.

There is a growing recognition that the working class needs a new international political organisation to provide a long term political vision and consciously guide the struggle in a communist direction. This political organisation will not be a government in waiting and certainly not another parliamentary project (as Social Democrats and Stalinists maintain). But it will be a unifying political instrument, the political compass for the movement of emancipation for the immense majority which emerges from the class struggle itself. This is the vision of the international political organisation which the Internationalist Communist Tendency has dedicated itself to being a part of. It will fight for a world without classes or states, without exploitation or borders, without famines and wars, in which the freedom of each is the condition for the freedom of all.

In 2019 the choice facing humanity is growing starker. Either a capitalist collapse into imperialist war and/or environmental extinction or a new society based on the principle of “to each according to their need, from each according to their ability”.

This is a shortened version of the May Day Statement of the Internationalist Communist Tendency. For the full version see our website.



Available at radical bookshops and CWO address

Twenty Years of the National Minimum Wage

2019 marks the 20th anniversary of the National Minimum Wage. The first minimum wage, brought in by the Liberal government as part of a programme of reforms between 1906-1914, only applied to certain groups of very low-paid workers. The idea was to both undermine the young parliamentary Labour Party and bind it to the Liberals (which it did) and ward off the mounting militancy of the working class (which it did not: see *The Great Unrest* on leftcom.org). In 1909 the Trade Boards Act brought together bosses and unions to agree a minimum wage for four low-paid ‘sweated’ trades with predominantly female workers: chain-making, ready-made tailoring, paper-box making, and the machine-made lace and finishing trade. Over the years the Trade Boards expanded and morphed into Wages Councils which survived until the 1980s when Thatcher’s Conservatives moved to dismantle them. The 1993 Trade Union Reform and Employment Rights Act removed the remaining minimum wage protection for some 2.5 million workers by abolishing the last 26 Wages Councils.

The dismantling of the Wages Councils was part of the wider dismantling of the post-war industrial economy as capitalism’s cyclical crisis returned to undermine the complacent Keynesian set-up. And, as in any capitalist crisis, it was – and still is – the working class who pay

the price. Restructuring or more often, in the UK, simply the abandonment of vast swathes of heavy industry and manufacturing involved sweeping job losses which destroyed the means to live and a way of life for millions, with no clear prospect of an alternative. The birth of the ‘new economy’ was accompanied by a sharp rise in self-employment, ‘gig’ working and a general move to individual ‘work contracts’ while as we all know, the rich got richer and the rest of us got poorer. Using the Joseph Rowntree Foundation’s definition, the percentage of the British population living in poverty rose from 13.7% in 1979 to 25.3% in 1996/97. By this point even the capitalists were getting worried – how can consumer capitalism survive if a quarter of consumers can’t afford to buy?

Minimum Wage

So in 1997 a new Labour government set out to “sensibly set a national minimum wage” into law. It became a legal requirement from 1 April, 1999. Reformists focus on the fact that the steep increase in poverty has reduced over the last twenty years. The fact is though that according to figures released by the Department for Work and Pensions last year, after factoring in housing costs, the portion of people in relative poverty was unchanged at 22%. Since the 2008 financial

crash, average real wages are still not back to their pre-recession levels. In other words, the statutory minimum wage has not, and cannot, combat the creeping impoverishment of the working class as a whole. And here is the nub.

Since the new financial year in April wage workers between the age of 21 and 24 are entitled to a minimum of £7.70 per hour, with those over 25 entitled to a minimum of £8.21 per hour (younger workers are entitled to less, down to apprentices who are legally due £3.90 per hour!) – and it’s not enough. The Living Wage Foundation says the wage level needed to “meet the costs of living” is £9 an hour across the UK and £10.55 an hour in London. But this really is adding insult to injury, and goes nowhere near addressing the scale of the problem.

Minimum Existence

At the end of March, while MPs were engaged in the Brexit pantomime, the Department for Work and Pensions issued a tranche of new data on living standards in the UK. They confirm that there was no growth whatsoever in real incomes last year. This means that however ‘poverty’ is defined it’s on the increase and is shaping working class lives from the cradle to the grave. Over 4 million children – almost one

in three – are now officially classed as ‘poor’. It’s also widening the gap in life expectancy between richest and poorest areas in England and Wales, partly because women who live in the poorest 10 per cent of local authorities are dying younger.

As for the minimum wage, more and more employers are ignoring it. Like the early days of the 19th century factory inspection system, the UK’s enforcement bodies are understaffed (the International Labour Organisation recommends one inspector per 10,000 workers; in the UK its one inspector for every 20,000 workers). Not surprising then, that more and more ‘abuses’ are going unpunished and more workers are finding they don’t get the minimum wage. Culprits range from garment factories in Leicester, to farmers and agribusinesses employing casual agricultural workers, shellfish collectors, nail bar workers, car washes, through building sites, hotels, and social care (see the last *Aurora* for the crisis in elderly care).

Our aim here is not to propose reform of the national minimum wage. The only way the declining outlook for the working class can be reversed is to take the road of class struggle: not for a ‘fair day’s pay’ but for the abolition of the wages system.