

# AURORA



## Yes, We Need Socialism! No, Corbynism Isn't the Way!

John McDonnell, Labour's Shadow Chancellor, declared himself and the Party "for Socialism" at the recent Labour Party Conference. In reality, the Corbynite programme of more state intervention and ownership, higher wages and better welfare is a "pie in the sky" picture of a kinder capitalism.

We can call it Keynesianism, call it strengthening the state, call it left populism – all of these are part of the truth. On the other hand, calling it Socialism is a total confusion, particularly aimed at the Corbynite Labourist "mass movement".

This argument is not about splitting hairs or different emphases. It is a choice between two completely different views and goals.

For the Corbynites, their vision is neatly summed up in the title of Ken Loach's film, "The Spirit of '45". Following the Second World War, workers were not prepared to go back to the poverty and unemployment of the 1930s. This led to a Labour victory but it did not bring socialism. The Labour Government simply took over the management of British capitalism by giving a greater role to the state and presiding over an austerity economy.

For those really wanting a world where the interests of humanity replace a society where profit for the class of bosses dominates above all else, there is a very different path. There is a desperate need to replace global capitalism with a socialist world where all human beings cooperate directly in the decisions and tasks involved in meeting human needs. That can't be the work of well-meaning Parliamentarians or state institutions. The **only** road to a human future is the revolutionary overturn of this rotting system – the self-emancipation of the

working class.

### The Capitalist Crisis

Since the early 1970's global capitalism has been in a crisis based on the inner dynamics of the capitalist system. For the third time in the 20th Century, despite the increasing level of economic exploitation of the working class, capitalism faces an existential crisis of profitability. Twice the situation was "solved" in the mass slaughters, destruction of capital and technical advances around the two World Wars.

For the last 40 years the national ruling classes and their transnational organisations and multinational corporations have adopted a succession of quack remedies to maintain their positions. Economic theories have come and gone, production has been shifted to different areas of the globe and technological advance has been used at the expense of both the working class and the planet's eco-system.

Local wars around "spheres of influence" and control of resources have brought death and misery to millions. These have generally been fought by the proxies of the bigger states, although in both Ukraine and Syria the big powers are now able to use their own war machines without any fig leaves.

During the last two decades a vast bubble of fictional values has been created to try and keep capitalism afloat. This was the key element of the "Great Crash" of 2008. The current crisis around the Deutsche Bank could well be the overture for the next act.

It is the reality of the depth and breadth of that 40 year crisis of the world system which is the real backdrop to any political machinations.

It is also the reality which the left Labourists would be totally unable to resolve, even assuming a Labour Government did come about.

### Socialism not State Intervention

During the period of relative economic stability and capitalist growth in the 1950s and 60s the governments intervened to "fine tune" the economy. For example, under the Tory Governments of the 1950s there was even enough slack in the profit system to allow for large scale building of council houses.

The capitalist economic orthodoxy was Keynesianism based on using amounts of state spending to "stimulate the economy" i.e. to help generate profits. As the early stages of the crisis unfolded, the strategy was abandoned. A key milestone in the change in approach was reached in 1976 by the Labour Government led by the Prime Minister, James Callaghan. In collaboration with the IMF it was made official that trying to manage the crisis overrode considerations such as "social welfare".

The phoney Socialism proclaimed by the Rt Hon John McDonnell is no more than a desire to return to the days of 1945-51 nationalisations and 1951-76 Keynesian state intervention. If such a change were possible two features need to be explained.

Firstly, despite any talk about "taxing the rich" or "squeezing the multinationals" the conjurors' smoke and mirrors hide the facts about where "disposable wealth" originates. The truth, rather than the illusions of all "the money tricks", is that it is the working class who generate all wealth, the bosses who rob a great portion of it and the state which might

then appropriate part of that stolen "surplus value".

Secondly, we have to be quite clear that the programme would only serve to attempt to "renovate" capitalism. Tinkering with tax rates, setting some higher levels of wages, restoring elements of welfare that have been hacked to pieces could all make life temporarily less unbearable for some workers. However, those improvements could only be temporary and insecure in the face of the insoluble crisis of late capitalism. Only the destruction of that system, the overthrowing of the power of capital and the minority bosses' class can provide a genuine alternative to ongoing misery and deprivation.

### The Capitalist Spectrum ...

Commenting on events in France in 1851, Karl Marx observed, "*Hegel remarks somewhere that all great world-historic facts and personages appear, so to speak, twice. He forgot to add: the first time as tragedy, the second time as farce.*"

How the process has accelerated since then! Within a week of the Labour Party leadership declaring themselves in favour of state intervention in favour of working people, calling it "Socialism", the Tory Prime Minister addressed her Party Conference, declaring herself in favour of state intervention in favour of working people, calling it "One-Nation Conservatism".

Unlike real farce, this is more than a laughing matter. What it shows is that the Corbynite prescriptions are precisely within the range of options for capitalism just as are the Tory prescriptions, both before and after the "Brexit" decision. This returns to the key point

– within the range of options open to capital there are always shades of thought, reflected in the political sphere. Those chosen vary from time to time: Tory, Tory/Lib coalition, Old Labour, New Labour or Corbyn's "New Old Labour", but they are all on the same menu – "Suitable for Capitalism".

The danger with Corbyn's variation is that he and his cheerleaders present this mish-mash of state support for capitalism and call it "Socialism". Those seeking a real alternative face certain disillusion unless they break through that sham.

### ... Or a Socialist Future

Central to the road to a real "Socialist" or "Communist" future is the working class organising ourselves in our own interests. That self-organisation starts in defending ourselves against the capitalist attacks but has to develop into a movement for overthrowing bourgeois power and laying the basis for a truly human future.

The Communist Workers Organisation and the Internationalist Communist Tendency to which we belong aims to promote and help define a clear view of the road towards an end to the abominations of capitalism. We do not expect that road to be short or straightforward since the building of a revolutionary movement can only be based on the rise of a revolutionary class consciousness. It cannot come about through Parliament and it cannot come about by pretending that supporting a pro-capitalist Labour Party is a stop gap solution. **The Parliamentary quackery of Corbyn/McDonnell's Labour Party will lead not to Socialism in any shape but only to the demoralisation of those who support it.**

## After Brexit: Nation or Class?

It began with verbal insults but it wasn't long before the attacks turned violent. The day after the referendum, a Polish man was attacked after being approached by two men outside a pub in Yeovil, Somerset and asked if he was English. He was repeatedly kicked and punched as he lay on the floor and suffered a fractured cheekbone and serious damage to his eye. A few days later, an Asian man was stabbed in the back in Rochdale after a group of men yelled racist abuse at him. In early July a Polish family in Plymouth had their house torched by arsonists who left a note telling them to "go back to your F\*\*\*ing country". In August, Arek Józwick, a 39 year old Polish man, was beaten to death by a large group of teenagers in Essex, and in September Zdenek Makar, a 31 year old Czech man died after being attacked following a row in a takeaway.

Nothing to do with Brexit, say those who supported it. But facts are stubborn things as

even official sources show. A Home Office report using data from 31 police forces showed 5,468 racially or religiously aggravated offences in July, up 41% compared with the same month the year before. A separate report from the National Police Chiefs' Council shows that in the week following the vote the number of incidents immediately rose by 58%, and at the end of July was still 49% compared with the same point in 2015. Britain's most senior police officer, Sir Bernard Hogan-Howe, called the increase in race-hate figures a 'horrible spike' but it is more than that. The figures remain high and are still not down to pre-referendum levels. European embassies in Britain have logged dozens of incidents of hate crime and abuse against their citizens since the referendum, with more attacks on Poles than against all the other nationalities put together, but the most violent attacks of all have been on people of South Asian origin.

According to the *Daily Mirror*, tension is highest in the areas with the strongest Leave vote like Suffolk, Gwent, Norfolk and Leicestershire. The chief constable of Leicestershire Police reported that hate crimes there have doubled since the vote. It's no coincidence that so far the lowest areas for hate crime have been in the areas with large Remain votes, such as Scotland and Greater Manchester and Merseyside.

Homophobic attacks are also on the rise, more than doubling in the three months after the vote. Likewise, disability rights campaigners are reporting an increased number of incidents. And while some of the media have dismissed these figures as insignificant, we should remember that most incidents aren't reported and in any case, any attack won't feel insignificant to the person suffering it. Unfortunately much of what is reported goes unpunished (the European Commission Against Racism and Intolerance reckons

roughly half of all incidents will go without any charges).

### Making Racism Mainstream

Though all of this is shocking, it's not surprising. The UN recently issued a report by the Committee on the Elimination of Racial Discrimination which said the referendum campaign had been marked by 'divisive, anti-immigrant and xenophobic rhetoric by UK politicians'. It pointed out that existing laws against hate crime in Britain weren't being used, creating a 'climate of impunity', and that politicians 'failed to condemn' racist abuse and created prejudices during the campaign. This is true, but in fact it had been going on for several years before the referendum. The government has been stirring up the racist pot for a long time. Take the 2013 Home Office campaign when they used mobile vans in London with the blatant racist slogan: 'GO HOME or face

arrest'. No coincidence then that a quarter of incidents reported after the vote specifically used the words 'Go Home' or 'Leave'.

The campaigns leading up to Brexit brought racism into the mainstream. The 'debates', such as they were, hardly discussed the real issues (one reason why the Brexiteers haven't got a clue how to actually carry out Brexit now). Farage, Gove and Johnson may have ridden the anti-immigration wave but it was created by mainstream politicians, one of whom is the current Prime Minister who openly stated in a newspaper interview in 2012 that: 'The aim is to create here in Britain a really hostile environment for illegal migration.' As we have argued in many previous articles she was only articulating the cynicism of the ruling class.

When MP Jo Cox was murdered after being shot and stabbed multiple times by a man shouting 'Britain first', it was clear what

# The Gig Economy: Capitalism's New Normal

One of Theresa May's first acts as Prime Minister was to order a review into the situation of the 6 million or so people in the UK who "are not covered by the normal range of workplace rights".

Following a string of news items about company directors with extravagant lifestyles who are indifferent to the fate of their workforce the political class is running scared. The Brexit vote has been interpreted as evidence of working class disaffection with the existing order: a problem which goes beyond the matter of how the Conservative Party holds itself together. The ruling class as a whole (and not just in Britain) is keenly aware of the danger of passive disaffection turning into active hostility, particularly from low-paid workers who see no prospect of a shiny tomorrow.

May's declared intention to "bear down" on "irresponsible capitalists" owes more to the fears of today's global capitalist class about the "populist backlash against globalisation" [Christine Lagarde, head of the IMF] than the *One Nation* Toryism of Disraeli in the nineteenth century. Leaks from behind the closed-door sessions at September's meeting of the G20 leaders from the world's twenty richest states reveal Barack Obama, Theresa May and her Australian and Canadian counterparts all emphasising the need to placate public discontent. Malcolm Turnbull (Australian Prime Minister and former Goldman Sachs banker) warned of the need to "civilise capitalism" or as one official put it "If we do not address the issue of fairness, [it] could endanger the global economy."

## How we got to now

Ever since the start of the present capitalist crisis the bosses have been clawing back more and more of the wealth created by the working class and keeping it for themselves. In the 70's and 80's declining profits forced the major capitalist powers to restructure their economies and transfer a large part of production to areas with cheaper labour costs. On the back of mass unemployment, deskilling, lower wages and reduced job security, the post-war trend towards workers taking a larger share of GDP went into quick reverse. So it has been ever since. Here in the UK, if the sharpest decline in living standards came before the financial crash of 2008, continuing 'austerity' coupled with wage freezes and outright pay cuts translate into a steady decrease in the quality of life. OECD figures show that real hourly wages in the UK dropped by over 10% between 2007 and 2015. No surprise then that workers now work longer hours than they used to. Likewise, the record number of people "in work" is

## After Brexit: Nation or Class?

### (continued)

kind of brutality this kind of rhetoric was unleashing. But it hasn't stopped it. In fact most of the referendum debates stayed on the terrain of immigration as a problem, not on any of the positive aspects of immigration (such as the figure from the Office for National Statistics estimating a £2.5bn net contribution to the budget from EU migrants every single year). Instead the mood sank ever further into nationalist and 'anti-foreigner' sentiments (remember UKIP's 'Breaking Point' poster?)

And it's still going on. Part of the aim of absorbing UKIP supporters into the Tory party led Home Secretary Amber Rudd to come up with a plan to force companies to list their foreign workers. The plan was dropped after an outcry by employers who don't want their extra-cheap labour forces threatened but it does point to the central game being played

due to financial necessity only exacerbated by the state policy of constant harassment and intimidation of people without jobs to force them into taking whatever rubbish is presented to them.

Still, the bosses are embracing the latest technology to 'improve productivity'. This is capitalist-speak for getting workers to produce more than they did before in a given time period. In other words, the firm gets more unpaid work out of each worker. It is the essence of capitalist exploitation.

Despite capitalism's debt mountain the world is awash with financial capital looking for a higher rate of return on its investments. Increasingly finance is directed at services which have been farmed out, often from the state sector, and turned into businesses which can turn a financial profit but where little or no new value can be created.

Services now make up 80% of UK GDP. Alongside activities at the bottom end of the supply chain, such as warehouses and deliveries (so-called logistics), capital is turning to digital technology to devise ways of cheapening the cost and squeezing more out of workers in what are already low-paid, low-skilled, labour intensive sectors. In a modern version of Taylorism, where each task is broken down and strictly limited to a sequence of smaller, precisely timed actions which every worker must follow, today's time and motion studies are conducted by computer geeks who devise apps based on algorithms which can monitor and control every step of a worker's day, wherever the job happens to take him/her. Amazon is not the only company where warehouse workers have to follow instructions from handheld devices which instruct them where to go and what to 'pick' from shelves at the same time as monitoring the time they take. And it certainly does not exclude Amazon or the many other "logistics and distribution centres" which are springing up in the wake of online shopping from using sharp employment practices to lower the cost of its wages bill. (See *Amazon - A Modern Capitalist Microcosm* at [www.leftcom.org/en/articles/2014-02-15](http://www.leftcom.org/en/articles/2014-02-15))

## Enter the gig economy

The 'gig economy', so-called because instead of going to the same place of work day-in day-out in order to earn a wage in order to live, working life becomes a series of work 'gigs': tasks offered to the freelancer at a set price which s/he always has the option of refusing. It couldn't work without the ubiquitous mobile phone. But just because someone is summoned to a casual job by an app triggered by a computer algorithm doesn't

by the ruling class. On the one hand they need a cheap, plentiful workforce and the free movement of labour currently provides that. It's one of the reasons they're finding Brexit so difficult. On the other, they're playing the game of divide and rule, pointing the finger at 'foreigners' and blaming them for all the ills caused by the capitalist crisis in general and the fallout from the 2008 crash in particular to which they have no real solution.

And it's getting nastier. The Leave vote has created a shift in public discourse in the UK where bigotry was suddenly acceptable, where migrants and refugees were de-humanised and despised, where the political environment suddenly became hostile to anyone not conforming to a narrow ethnic (and narrow-minded) white, English base. 'Taking back control' has given voice to a number of violent bigots who now feel brave enough to lash out at anyone they feel 'doesn't belong'.

True, for a minority of the working class

mean they are therefore self-employed, i.e. running their own business. Behind the apps are creative computer geeks turned hard-nosed capitalists with an eye for where the money is. Their whole strategy of using apps to provide them with a lucrative revenue stream is based on their denial that they employ people to work for them. It is crucial that they have no responsibility to pay even a minimum wage, never mind national insurance, sick pay, holiday pay and so on. Nothing to do with us: 'we just provide the platform which allows people the freedom to choose when to log on and work', argue the likes of Travis Kalanick, co-founder and CEO of Uber, based in San Francisco. And, sure enough, people who get paid for these digitally-announced gigs have to buy their own equipment for the job, just like any petty entrepreneur. For example Uber taxi drivers, who number 30,000 in London alone,



Deliveroo riders' protest outside the company's London offices in August.

have to provide their own car which complies with Uber specs, pay for their own training and licence etc, etc.

Above all they must have the Uber app – £5 per week for the official one – because without it you will have no customers. Passengers must pay the fare electronically and the payment (calculated by the Uber algorithm) is credited to Uber which takes off at least a 20% 'service fee' before crediting the driver's bank account once a week. Drivers, sorry "partners", have to make at least one trip a month to keep on the books. This kind of employment is certainly less monotonous than the old forty hours sentence for life occupations which dominated heavy industrial work decades ago. But it is no less capitalist exploitation for being precarious and for the boss appearing as an anonymous mobile app.

The question is posed about what the gig economy and the wider world of precarious employment mean for the revival of a working class fight back. Yet, just as it appears that the present generation of wage workers is facing a set of bosses who hold all the cards, a series of strikes in the summer by restaurant delivery couriers **employed** (they argue correctly) by companies *Deliveroo* (set up by Will Shu, ex-investment banker at Morgan Stanley) and *UberEats* (a spin off of you know who)

the nationalist and racist blame game is an easy one to swallow and there will always be a small section of the working class that acts as a mouthpiece for the very worst of the bourgeoisie. But when our class fights for its own interests, when it is moving forward and united under its own slogans, this tiny minority is marginalised and silent.

But we have to go further. There is much talk of identities these days but the key one for the last 100 years has been whether you identify with the nation or with the class you are tied to by virtue of a shared collective experience of exploitation. When the capitalists call on us to "defend our nation" they are right. It is **their** country. They own it after all. For workers who own only their ability to labour the nation is an abstraction. As Karl Marx pointed out 150 years ago "Workers have no country". But we do have a world to win.

The current problem is that the working class everywhere is fragmented and weak. Despite

has challenged the complacency of these unscrupulous capitalists who are a product of a system in deep crisis and which is resorting to amassing financial profits as capitalism's capacity to extract new value from the working class declines. In the real world this means we are in an era of increasingly vicious exploitation where the thirst for profits will push more and more employers to try and pay less than a living wage.

*Deliveroo*, which operates in 84 cities across 12 countries, has more than 20,000 'self-employed' cyclists who deliver food for more than 16,000 restaurants on its books. Although it is good at attracting financial backing it has yet to make a profit. No doubt this explains the sudden introduction of a pilot pay scheme amongst about 280 of its 3,000 London couriers. It spells a massive wage cut. Previously the couriers received £7 per hour, plus £1 commission for each delivery. Under the new scheme couriers have no base salary but instead receive £3.75 per delivery. OK during the lunch time and evening rush when you can make more than £7 an hour but it means that most of the time they earn less than the minimum wage. The heartening news is that this wasn't taken lying down. Over the summer hundreds of *Deliveroo* workers organised their own protests and one-off 'wildcat' strikes. One of their demands is that they be paid £9.40 per hour – the London living wage. Although it looks as though Shu will get enough workers to sign up to his *take it or leave it* new contract, he's had a shock, stating on Radio 4 that he was "sorry" that the trial had triggered protests.

He's not the only capitalist who's sorry. The *Deliveroo* workers' fight inspired *UberEats* couriers who came up against another wage-cut trick to organise their own "wildcat strike". After initially paying £20 per hour, once *UberEats* had recruited a core set of workers, the pay terms were changed to £3.30 per delivery, which means much lower pay. The workers used their mobiles and Facebook to organise their protests in conjunction with the Independent Workers Union of Great Britain (IWUGB) and the United Voices of the World Union. The first is a split from the modern version of the IWW (Industrial Workers of the World), and before that from mainstream unions in the TUC, we do not know the origins of the United Voices of the World. To the extent that they are using the grievances of precarious 'gig economy' workers to capture a membership that will allow them to get a foothold as the workers' permanent legal representative they are not the way forward. As it is though, it is clear that by putting up their own fight, these most precarious of gig economy workers have shown the glimmer of a way forward to the rest of the working class.

austerity, cuts, speed-ups and a whole raft of new forms of exploitation, resistance so far has been only episodic and spasmodic. Yet, despite all the sacrifices by workers, the capitalists have still no solution to a crisis of low profitability and low growth. World trade has fallen and the world economy is stagnant.

We are in a race against time. Will the continuing crisis provoke a new international and internationalist consciousness which takes an organised form or will the dead-end of capitalism lead to a generalised war that throws us back to the Dark Ages? The only alternative to more barbarism is the creation of an international working class movement to fight for a new society without exploitation and without racist and sexist oppression. It will be a long fight but will be shorter the more people expand those nuclei of class conscious workers already in the struggle to get us out of this odious mess.

## The road ahead

It is not true that today's extreme conditions of precarious employment suffered by the bottom 20 per cent of the workforce are simply a passing side effect of capitalist innovation which will eventually be ironed out. For the likes of Will Hutton (in *The Guardian*, 4.9.16) capitalism, "As ever is the bearer of the modern, the change agent whose innovations are welcome". This is a complete delusion. Far from being the bearer of human progress, "today's capitalism" is heading towards a catastrophic solution to the third global crisis of its existence where the only progressive outcome can be the overthrow of the entire system. Meanwhile, he is right about one thing: the gig economy is the yardstick for the new normal, i.e. for what sort of conditions of employment capitalism can get away with imposing on other sectors of the working class. Already the new junior doctors contract is reported to include on-call elements derived from the gig economy while the BBC and ITV now commission programmes according to perpetual undercutting gig-style terms.

Last summer's strikes of delivery workers are the first sign of a fight back by a new generation of the working class. They certainly scared the ruling class. (At the Tory Party conference Theresa May's chief policy advisor, George Freeman, warned of "anti-capitalist riots" if the government did not intervene to make capitalism "more responsible".) Recognising each other's shared material interests is the first, necessary step towards independent political consciousness. This in turn will allow for a revolutionary organisation with a genuine anti-capitalist programme to mature within the everyday life of the working class. Meanwhile, we can only remind our readers that the only sure way to a socially just society is not the struggle for a fair day's pay, but for the abolition of the wages' system.

*This article is based on a longer version, available on our website.*

## What We Stand For

*We stand for a global society in which production is for need and not profit (and is therefore sustainable), where the state, national frontiers and money have been abolished, where power is exercised through class-wide organisations like workers councils. It is a society which can only be created through the activity of millions of human beings. Only such a society can rid us of the capitalist offspring of poverty, hunger, oppression and war: We call it communism but it has nothing in common with the Stalinist state capitalism of 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. This organisation is not a government in waiting. It does not rule but it does lead and guide the struggle for a new world. The CWO by no means claims to be that party but only one of the elements which will 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 genuinely working class organisations but seek 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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