Climate Change: Capitalism is the Problem

The capitalist mode of production, characterised by exchange for profit, private property, wage labour and capitalist accumulation, has only existed for around 300 years. Since the late 19th century it has found its way to every corner of the world and today it is the cause of the problems humanity faces. It is based on a cycle of accumulation, where economies and businesses are held accountable to the interests of the few rather than the many. As a result, the wealth of the world’s most powerful is accumulating at the expense of the working class, who are on the verge of starvation and who are the first victims of climate change.

If only things were so simple. It’s easy to become disheartened by the problems facing our world today. Wars, poverty, hunger, inequality, and oppression have plagued the system throughout its existence.

We have been on this planet for roughly 300,000 years, in one way or another shaping and reshaping the ‘natural’ environment. It is no coincidence that the impact of human beings grew dramatically as 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 disillusioned in this world of 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.

It is obvious from their call for an ‘immediate start on global co-operation’; ‘International, unambiguous and binding commitments’; ditto for ‘agreements’ – not even 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. It has to be asked whether the government to ‘tell the truth’, ‘enact legally binding policies to reduce carbon emissions to zero’ and ‘undo 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. Green Party leader Jeremy Corbyn has called for 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 the environmental question 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 projects will be 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 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 way forward. We do not have to live in a world where the few are 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 are a group which will be in the forefront of 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.

Towards the Future International

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

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Bulletin of the Communist Workers Organisation
Affiliate of the International Communist Tendency
No 47 Spring/Summer
An Economy in Crisis

The world of 2019 is still dominated by the memory of the worst financial crash of the post-war period a decade ago. Despite productivity increases, despite shifting production to service industries, the profitability of investments in the advanced capitalist sector has been declining for decades. Capitalism has abandoned the “real” economy – the one that produces goods and services and which creates most of the competitive advantage of labour power – in order to chase the mirage of easy profits offered by speculation. This only worsened the crisis 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 in 2007, the financial crash hit 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 towns and cities to the brink of government bankruptcy after exploitation for the international proletariat.

The situation is now even worse. Between 2000 and 2009 global debt (state, corporate, personal) rose from $53 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 that its profits from 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 global growth forecast almost by half in the past two years, calling on governments to cut debt and balance budgets so that they have some wriggle room in the future. The US government is apparently “alive” (i.e. too big to fail). In short, the system is still in the grip of the same problems as ten years ago. There is still no fundamental change in the system and the problems. There is no way 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 expensive exploitation of the workforce, and dismantling of the welfare state. This competition is increasing on all fronts but as this fails the system is being driven towards open military confrontation.

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 replaced by “environmentalists”. The global warming and degradation of the natural environment (Arctic ice sheets, melting tundra, deforestation, ocean pollution etc.) but cannot offer a solution. This is because they will not tackle the root cause of the problem which is the economy. The capitalist system of profit problems start to affect profits do capitalists start to treat them seriously but by then it is too late. It is the same old story.

Many “green proposals” are middle class capitalist “solutions”. Some are just another capitalist racket, like carbon swaps. Others hit the rich and the middle class and the poorest get 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 overtaken. The entire system of production based on wage labour and capital investment will need to be replaced by a new 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 the banks in 2007/08, too many obscurantists see the solution in more state welfare. The number of billions has almost doubled. Last year more than half the population lived in poverty. More than a billion are on less than $1 per day. The global unemployment rate hit 23%. But the global minimum wage was unchanged at $2.20. Since the 2008 financial crash, average real wages are still 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. As we have been saying for years, this is a dead end.

So in 1997 a new Labour government set out to “sensibly set a national minimum wage” into force from 1 April 1999. Reforms focused on the fact that the steep increase in poverty had 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 and childcare costs, the minimum wage was unchanged at 22%. Since the 2008 financial crisis, more and more workers are being pushed below the poverty line. The answer is not, as the reformists claim, to call for minimum wages. The answer is for the working class to organize and fight for minimum wages that would remain untouched. The deeper economic crisis would remain.

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