I f the roasted recovery meant anything why do our masters talk about austerity lasting for another decade or more? Why does Osborne insist on cutting £19 billion a year more than 300 people are working on at HRMC? The truth is no recovery is in place. In fact the economists tell us that this is the deepest and longest depression of any since the First World War.

More ‘austerity’ is coming and all the main political parties are committed to it. All are committed to the idea that health and social services as well as unemployment benefits should be cut further. There is nothing ‘fair’ about all this. (Tax evasion amounts to ten times benefit fraud but there is no campaign against tax cheats – only 300 people are working on them at HRMC.) So when Osborne introduced the vote to cap future welfare payments only 20 out of 650 MPs voted against it. ATOS is giving out benefits even though the DPWI attacks on welfare will remain. The costs in terms of human misery are incalculable unlike the costs of those who have died under WCA (10,500) or those hit by the bedroom tax. Two thirds of the 500,000 tenants who have lost at least 14% of their housing benefit are already in rent arrears according to the National Housing Federation. If this is a recovery then why are household savings down and personal suffering today. The National Housing Federation we added:

“... several studies have shown, the self-employed have had an even tougher time in recent years with their real wages falling faster than those of employees.”

Osborne may boast that there are more jobs than ever before but they are low paid, part-time, zero hour contracts.

Recent ONS reports say that real wages have stopped falling (but in the bosses’ press as ‘wages are now rising faster than inflation’)... by a massive 0.1%. They conveniently forget that real wages have already fallen about 8% on average since 2008. In short, for the capitalist class the terms of trade for wage labour have never been better. No wonder the stock markets are reaching new highs.

And the ruling class are getting more confident. When capitalism revealed all its dirty linen in the collapse of the speculative bubble which brought down the banks they were extremely nervous. For years financial commentators have been raising the spectre of mass social upheaval and kept wondering when it would break out. It has not – yet. The reasons for this are not hard to see. Austerity may be nasty but it is no “poll tax” issue. It does not hit everyone at the same time. Instead it viciously selects its victims from amongst the most vulnerable in the working class. Even the New Society, normally so sensitive from different directions. This, when only 40% of the cuts in store have been brought in.

The cuts are being cleverly introduced piecemeal and locally. The obscenity of making the worst off pay for a crisis made worse by rich speculators is too obvious for words. But this is not simply a matter for the unlucky few. Drip by drip these measures are undermining the general standard of living of the whole working class. Fighting them is a matter of dire necessity. As we said in our last issue, “We will be forced to resist cuts, who give support to others under most duress.” But then we added:

“We are promised ten more years of austerity whichever party gets into power. This means we have to think long-term.”

This is hard to do when people are suffering today. Those revolutionaries who thought the working class would react immediately back in 2008 were over-optimistic. They were forgetting that social movements do not arise as mechanical cause and effect. Given the retreat of the working class since the 1980s it was too much to expect an immediate concerted response. In fact the capitalist crisis of accumulation has been with us since the 1970s. In the 1970s there was massive workers resistance to falling living standards but by 1977 this had begun to weaken under the cuts of the Callaghan government which tripled unemployment. Since the financial crisis they tell us we’ve had the biggest and longest drop in wages since the 1880s. But, as the table above shows real wages have not just fallen since 2008 but have been falling ever since the post-war boom ended.

For decades we have been on the retreat. This is especially true in the richest capitalist countries where workers found the unions are no weapon at all when it comes to a serious struggle against a system that is fighting to survive. The displacing of jobs to low wage areas has not only led to higher unemployment and precarious working conditions (from temporary to zero hour contracts) but has also undermined the collective capacity of the class to fight back. The fragmentation of the class has only increased the power of the bosses to blackmail and threaten those who try to resist. We are in danger of becoming what the bosses want us to be – plebs, citizens (when they want our votes), and low paid wage slaves. For some time the bosses have been fighting to survive. The displacing of jobs to low wage areas has not only led to higher unemployment and precarious working conditions (from temporary to zero hour contracts) but has also undermined the collective capacity of the class to fight back. The fragmentation of the class has only increased the power of the bosses to blackmail and threaten those who try to resist. We are in danger of becoming what the bosses want us to be – plebs, citizens (when they want our votes), and low paid wage slaves. For some time the bosses have been fighting to survive.

Crisis and War

Seldom has anyone been so wrong as the political scientist Francis Fukuyama, who predicted the “end of history” after the collapse of the Eastern Bloc. Far from leading to a new “era of peace and development” (George Bush senior), the multi-polar world order which arose in 1989 led to a continual sharpening of imperialist conflicts and tensions. Across the world, the pack was re-shuffled, as the urge to win a place in the imperialist power structure opened up. Against this background, the conflict in Ukraine is a significant moment in a long chain of warlike confrontations (Kosovo, the Gulf Wars, Afghanistan, Syria, etc.). Putin’s takeover of Crimea is an already true response to western manoeuvres to take Ukraine into their bloc. In the case of Ukraine we get down to the nitty gritty. It plays a key role in the plans of both Washington and Moscow. For years Russia has assiduously worked to embrace its former satellite states more closely through trade agreements, as well as trying to create an economic space with its own security and military policies in a so-called Eurasian Union. Due largely to its geo-strategic control of important raw materials and energy routes, Russia would become a formidable counter-weight to the USA and the EU. Of course, in the present confrontation, there is much lamentation over “territorial integrity” but the party capable of overthrowing the capitalist order on a global scale. It is not an easy road but it is the only road.
capitalism means war (continued)

"national rights", no matter under what pretext, what political banner or with what form of identification, is part of the inter-imperialist power game. However, it is not just in Europe that imperialist contradictions collide ever more impossibly. Without forgetting the agogies of Afghanistan, Iraq, Syria, South Sudan and the new sovereign states of the old Soviet Republic, to name but the most obvious, the fiercest arms race since the end of the Cold War has broken out in Asia. China has increased its arms expenditure in the last twenty years but its Pacific (or less pacific?) "neighbours" are trying to keep up. Vietnam, the Philippines, Singapore, South Korea and Japan are all massively increasing arms spending while India has overtaken China as the largest arms importer, as well as the world's largest builder of warships. The USA, which must defend its claim to hegemony as a military superpower against a growing number of challengers, spent a whopping $640bn on its defence budget in 2013 alone. This has not, however, prevented the aspiring superpower China from pulling out all the stops to stop the USA, especially in the Pacific region. China's economy displayed the most substantial economic and military disparity over even the smallest territories. Like, for example, the Senakhu/Diaoyu islands, is evidence of the sharpness of the contradiction, in the world where permanent arms builds and militarisation are the essential pre-condition for state sovereignty.

against all nationalist ideology!

On the domestic front, sharpened world competition is reflected in more and more aggressive nationalist propaganda and rhetoric. The idea of the nation always was and continues to be a key ideological prop for all bourgeoisie domination. It masks the class character of the capitalist system and encourages the idea that the existing conditions are an expression of the national interests of the people. In the name of "national competitiveness" sacrifice is preached, social security is cut and the thimbles of exploitation are increased. Yet every sacrifice serves to legitimate the apparatus of surveillance and repression, and the locking up of unwelcome oppositions. The "national" ideal, or "national" values or "national culture" has always been the easy way to reinforce racism and action against anyone who does not conform to the dominant sexual morality.

reactionary ideologies always feed on social composition, atomisation and growing insecurity. From the Front National in France to the Jobbik Party in Hungary the racist right is on the rise, and societal insecurity is adding to a mixture of racism, anti-Semitism and social demagogy. In Greece, the fascist "Golden Dawn" has become a threat to the working class. Everywhere through exploitation which remoulds people, towards their subjection and the army, it has obtained important positions of power in the state apparatus. However, these are not "national" powers in the presently constituted national and authority structure ofbourgeoisie society. They are an integral part of it. Nazis embody neither protest nor opposition against the dominant conditions but, on the contrary, sharpen the content of the ideologies which our rulers spread daily. For this reason, it is nonsense to want to fight the fascist right under the banner of defending democracy. The notion of the defence of democracy boils down to accepting, far from formulating, the notion of the death of a class-neutral entity. Resistance to fascism has to be part of a comprehensive anti-capitalist struggle for such a war do not yet exist today, the stakes are high.

The worker mountain grows, its structure is changing and financial speculation is running at full speed. In the meantime, you can happily bet on the next bubble bursting. All this is down to a deep structural crisis of the system, which has been growing for decades (in fact, since the end of the Breton Woods system in 1973). Capitalism is at the end of an accumulation cycle, from which, in the end, it can only escape through a massive devaluation of capital. In capitalism's early days, there was a time when the West would suffice. The successful capitalists bought up the losers at bargain prices and the system could start all over. Today, however, despite the restructuring of the 1980s, the mass of capital in the world is so great that only a massive devaluation of capital can fire up accumulation again and lead the system out of crisis. Such a devaluation would demand such a massive annexation of capital that it could only be affected by the physical destruction of capital. Capitalism can only escape through the destruction of the production process (e.g., through the introduction of microelectronics) and the massive increase in the rate of exploitation which will lead to low-wage countries, where people toil in sweatshops for starvation wages, while workers in the traditional centres of capitalism are forced to swallow wage cuts and worsened working conditions. Across the world, there is a merciless competition to push down wages using the methods of exploitation which remould one of the 19th century. Temporary part-time jobs with so-called "zero-hour" contracts which, for example, affect over a million people in Britain, who have to be at the bosses' disposal around the clock for any type of work; mini-jobs and fake self-employment; just a few examples of the creativity used to enslave the working class to capital.

The working class has clearly suffered a loss in its degree of organisation and unity. The manifold fragmentation and lines of division alongside the spread of precarious conditions of employment place great challenges to the development of collective defence. Autonomous Class Struggle!

But this is not just about structures. On the contrary the revival of an effective working class organisations is a logical understanding of the struggle's aims and perspectives. We will only be able to resist austerity if we understand all resistance to ruling class attack on our lives. Conditions are part of our worldwide struggle. This requires the clear rejection of all nationalist ideologies and every attempt to subordinate our class concerns to any fraction of the bourgeoisie. At the same time, it is necessary to understand that even those victories that we achieve will only be temporary. It is becoming everyday more clear that the world today has a future if it takes place in the mode of production. The sole solution is a society in which money, exploitation and profit have been eliminated and in which production stands in harmony with humanity and the environment, a society in which production is for the satisfaction of human needs and not for profit. By us, we mean communism!

Such a social alternative will not shape itself by itself. It can only be fought for by a social movement consciously doing away with relations of domination. There is a long road in front of us. Nevertheless, those who have understood the need for a new society must start the first steps in order to unite themselves as communist minorities in an international and internationalist organization. Such a new international organisation is not in waiting, but an indispensable instrument to give the struggle for a new society a clear political perspective. This struggle will have to be fought everywhere the working class challenges capitalism. But we must start the process first in order to unite ourselves as communist minorities in an international and internationalist organization. This struggle can only be won by struggling for a new international communist organisation bringing us a step closer to our aim: "an association of the free and equal" in which production is for the condition for the free development of all."

For a classless and stateless society! The Wages System - Heart of Global Capitalism's Contradictions

It may surprise the million or so people in Britain who work for the minimum wage (at the very least $5.50 an hour a day is a poverty wage) that they are being paid more than the average poor. To them, the least they would expect is to get away with paying us – it is the abolition of the wages system altogether. The only solution for workers everywhere is not an auction over how little they can get away with paying us – it is the abolition of the wages system altogether.

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 armies which wage war are abolished, where power is exercised through class-wide organizations 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 the capitalist offshoring of poverty, hunger, oppression and war. We call it communism but it has nothing in common with the Stalinist state:

Contact us: email: uk@leftcom.org
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CWO BM CW LONDON WClN 3X8

The Communist Workers' Organisation is the British affiliate of the International Communist Tendency (formerly the IRR). Our Italian sister group, the International Communist Workers Party, was formed in 1943 as the only organisation to oppose all sides in the Second World War in the name of working class autonomy. Today we have groups in countries in several countries around the world.

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 armies which wage war are abolished, where power is exercised through class-wide organizations 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 the capitalist offshoring of poverty, hunger, oppression and war. We call it communism but it has nothing in common with the Stalinist state.

Despite talk of how capitalism has lifted “millions” out of poverty in the ‘emerging’ states where the majority of the world’s people live, the standard of living of most workers in China, India, and so on lags far behind their counterparts in the ‘advanced’ capitalist heartlands. Like all officials, the picture of the millions who have benefited from the profit-making ventures of rampant globalised capitalism is painted according to formulas provided by the ‘target-setters’ themselves. Thus, we are told that the World Bank’s ‘Millennium Development Goal target’ — of cutting the 1990 poverty rate in half by 2015 — has already been reached. Instead of 1.91 billion people living on less than $1.25 a day in 1990, in 2010 there were only ‘1.22 billion doing so! Almost impossible to imagine. As is the World Bank’s next encouraging statistic: Adjusting for inflation and purchasing power, the share of those living below $2 per day has dropped markedly since 1981, from 70 per cent of the global population during the Depression to a mere 40 per cent or 2.4 billion people. At this rate (roughly 10 per cent a year) nobody would be existing on less than $2 a day by 2050. No doubt some would call this progress when in fact capitalism remains indicted for condemning the majority of human beings to unnecessary poverty in a world of vast material wealth. Showing similar alarms of capitalist success (by Gladstone) in the nineteenth century Marx might say that the rich 1% of the world’s population control half the world’s wealth and since the banking collapse of 2008 90% of all wealth gains in the US have gone to the richest 10%.

But even the World Bank’s ‘happy’ scenario is not going to happen. World capitalism’s crisis — or as the World Bank prefers — “slowdown in growth”, is not going away. Any “recovery” has been a recovery for the rich. Million who have only recently recovered from the greatatabase's (official) poverty are (unfortunately) due to slip back into it. Many of the 2.8 billion people who currently exist on between $2 and $10 per day are likely to fall back into (official) poverty. Particularly vulnerable are the 1.5 billion people who manage to survive on between $2-$4 per day.

And getting back to the minimum wage, in the UK even the ruling class are worried. Chancellor of the Exchequer George Osborne has tentatively called for a rise in the minimum wage to £7.00 an hour by 2015 (the OECD says that anything below £7.71 an hour today is a poverty wage). The Chancellor has not had a humanitarian conversion. He was worried that consumer spending will not rise enough to maintain even the feeble recovery they claim is happening. But this is a central contradiction of capitalism. The workers who create the commodities cannot buy them since profitable production requires lower wages. As Marx also noted “the last case of all real crises lies in the poverty and restricted consumption of the masses.”

The Poverty of Reformism

And here we see the poverty of reformism. The Unite union have demanded that Labour adopt a “radical” new measure — a £5.50 increase to the minimum wage (after the 2015 election). At around £8.00 an hour even this would be below the OECD definition of a poverty wage by then. Under capitalism there is no such thing as a “fair day’s pay for a fair day’s work.” If that happened the system would collapse. As Marx described it: The more productive capital grows ... the more does competition extend among the workers, the more their wages shrink. Thus the forest of outstretched arms, begging for work, grows ever thicker, while the arms themselves grow leaner.

The only solution for workers everywhere is not an auction over how little they can get away with paying us — it is the abolition of the wages system altogether.