There’s no doubt workers need a pay rise. If the economic recovery meant change for the better, then the working class should at least be clawing back the losses of recent years. Pay deals are now supposedly above inflation, but in real terms most people’s earnings are falling. For public sector workers at the hard end of the government’s ‘deficit reduction’ programme this is no surprise. Overall public sector workers’ real pay has dropped by 15-20 per cent since 2010 and, like everyone else, the pensions of lower-paid workers have been frozen while contributions are upped and people (like fire fighters) are being told they’ll just have to keep working for longer.

Already in July this year thousands joined a TUC sponsored day of action in London to protest against a 2 per cent pay freeze being followed by a derisory 1% pay ‘rise’ To add insult to injury, the government has since back-tracked on even the nominal 1% rise for many NHS workers, including some of the lowest paid. That makes for a lot of very angry people. We’ve got a Saturday march with their union banners in the streets of London, Glasgow or Belfast. In the week running up to the 18th October demo tens of thousands of workers in the public sector are set to show their anger and go on strike… on three different days. Or at least they are. As we go to press the three biggest council workers’ unions: Unison, Unite and the GMB, have suddenly called off their strike. So much for ‘Unite the resistance’!

Why No All-Out Strike?

At once the strength and weakness of the modern union machine is apparent. On the one hand the TUC professional organisers (salaries paid out of membership dues) have been able to impress on shop stewards and militant workers that ‘action days’ culminating in a national demo are the way towards regaining a better life. Angry and increasingly desperate workers who want to do more than pay their union dues by direct debit are engaged in these campaigns. Yet, we have not had even one all-out strike. The last minute cancellation of solidarity action is a glaring example of the REAL role the unions play today. They aim to control and contain the class struggle and undermine any potential for a wider movement which goes beyond the ritual shadow boxing.

On the evidence of the last four years – since Osborne first wielded his axe in October 2010 – the TUC’s action days have led workers round in circles to no effect. Osborne imposed the cuts on 500,000 public sector jobs were due to be out by 2014-15. According to a study commissioned by the GMB union last year 631,000 public sector jobs had already been lost by the end of March 2013. Not only have the unions completely failed to halt the programme of job cuts, the government is now even more confident it can face down the occasional TUC day of action and has speeded up the cuts programme. According to the same GMB report the Office for Budget Responsibility is now aiming to cut another 400,000 jobs by the general election, some time in 2015.

As for the relentless attacks on social services and welfare rights over the past four years, it is now very clear that the aim of the game is to dismantle what’s left of the universal welfare system that was put in place after World War Two. Countless campaigns and local struggles have proved unable to stem the multi-pronged attack. It has brought widespread harassment and anxiety, misery and impoverishment, as well as premature and unnecessary deaths to a widening range of vulnerable people. Given the closures, cutbacks and job losses that hospitals and ambulance services are already enduring, nobody can seriously believe Labour or Tory assurances that the NHS is ‘ring-fenced’ from all this.

The Real Threat

This brings us to the wider situation which we have to face up to. This is not really about the budget deficit; it’s about the growing threat capitalism’s profitability crisis poses to working class chances of a civilised existence. As a matter of fact, in the 1970s UK national debt was a much higher percentage of GDP than it is today. The key difference between then and now is that the overall rate of profit was much higher and with it the rate of GDP growth. So gradually the debt to GDP ratio fell even as government borrowing went up and it was easy for the state to finance its interest payments. All that changed with the onset of the capitalist crisis which started in the 1970s. In the face of at least 17% inflation it was Labour Prime Minister, James Callaghan, who famously admitted:

We used to think that you could spend your way out of a recession and increase employment by cutting taxes and boosting government spending. I tell you in all candour that that option no longer exists...

The bankrupt Labour government was obliged to beg for a loan from the IMF. This demanded government spending cuts and a reduction of the budget deficit. Unemployment rocketed. Keynesianism was out of the window. In came ‘Thatcherism’ and ‘Reaganism’ dedicated to cutting state spending and opening up national economies to monopoly capital under the banner of the ‘free market’. At the same time the industrial working class was devastated as industries were privatised. New technology replaced tens of thousands of workers and globalisation accelerated as capital moved to areas with cheaper labour power to boost falling profit rates. Decades on and several financial bubbles later, capitalism is still grappling with the same crisis only now its options have narrowed and the situation is much more dangerous. The world financial crash of 2007/08 was a game changer. It exposed the extent to which capitalism was relying on paper profits accruing from financial speculation. Central banks were forced to take on the financial sector’s losses, buying up worthless assets under ‘quantitative easing’ programmes in order to maintain confidence in otherwise totally devalued currencies. But even though central banks and monetary authorities have tried to sweep the debt under the carpet the threat of another crash remains, or rather is growing. In September a report for the International Centre for Monetary and Banking Studies observed ‘Contrary to widely held beliefs, the world has not yet begun to deliver [reduce debt] and the global debt to GDP ratio is still growing, breaking new highs.’

In the face of what is now a multi-decade crisis the government is trying to do anything but face up to the next global financial crash.

Meanwhile, the merciless competition to drive down wages and the general cost of labour power continues. Far from clawing back something of what we have lost, the present ‘recovery’ is based on the growth of low paid, insecure, increasingly part-time jobs often based on zero hour contracts. Unemployment is still well over 6 per cent of the workforce while this year ‘Britons’ wages have fallen in cash terms for the first time since 2009…" [Financial Times 13.8.14]

Capitalism’s Obscure Crisis

This is not only about workers in Britain. Ever since the crisis began in the 1970s workers in all the supposedly advanced states have been receiving a smaller and smaller share of the national pie as the prospect of finding a job and wages and conditions of work steadily deteriorate. Capitalism is losing its civilised veneer as the consequences of growing inequality impact on society. At one end we see 3.8 million children living in extreme poverty, a growing number of food banks, the resurgence of Victorian diseases stemming from malnutrition, including rickets, TB and scarlet fever. On the other we read daily to be continue (expletive) richer. There is now a record number of 2,325 billionaires in the world with combined wealth of 57.3 trillion. This is 4.5 times the combined income of the 3.5 billion people who make up the poorest half of the world’s population! (continued over)

THE ONLY WAR WORTH FIGHTING IS THE CLASS WAR!1

(continued over)
“The Only War Worth Fighting is the Class War” (continued)

Still worked. In the victorious powers nationalism had largely been discredited by the First World War. Here the trick for the capitalist class was to find an ideology to mobilise the proletariat. They found it in Anti-Fascist, a new ideology that formed the Allies were particularly anti-fascist. All did, or tried to do, deals with the Fascist regimes (including the UK). Britain and France tried to incite Hitler to attack the USSR because of the Popular Front government’s ideology to try to form anti-fascist alliances in the West. It worked and convoys continued into war in which were not their own. One of the biggest victims of this was the Spanish working class. Their anarchist leaders decided in 1936 to suspend social revolution in favour of “anti-fascist” and defence of the capitalist Spanish Republic. The result was the murder of hundreds of thousands of revolutionary workers, first by Stalinists, and then by Franco.

No-one was more cynical as an “antifascist” than Stalin. In 1939, to the consternation of Stalinists everywhere, he suddenly abandoned anti-fascism in order to sign the Nazi-Soviet Pact. This agreement dismembered Poland and the Baltics States. It restored to the USSR much of what had been lost of the old Tsarist Empire. Stalin’s war would never be an “anti-fascist” one. Its rallying cry was “defend the Great Russian Motherland”.

What eventually brought the Allies together was a common front for their separate imperialist interests. The Nazi threat for Lebensraum eventually threatened them all. This was not a war for democracy (in Stalin’s USSR) but the slogan was enough to mobilise millions to die for imperialist interests.

Imperialist War Today

And today in Ukraine the justification for the (unnamed) Russian invasion is once again to oppose “fascism”. Although fascist elements are the dominant idea in the US for Ukrainian capitalists to get into the EU zone of influence. In reality Russian nationalists are no better than the “fascists” they condemn. The terror of “fascism” is a demand that the citizens of Eastern Europe makes such labels meaningless. Yes we are seeing two regimes trying to defend the workers of Ukraine through nationalism (Russian or Ukrainian). There are signs of this and that they are not always successful but it is sad to see so-called socialists, anarchists and other self-proclaimed revolutionaries there acting as recruiting sergeants for anti-working class agendas. It seems they have learned nothing from the experience of 1914 or 1939. We have to stand for the autonomy of the working class. Marxists have always been anti-fascist and anti-nationalist. It is a far more realistic and the utopian idea that rotten monopoly-finance capitalism can be directed to meet the needs of the world’s working class.

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We call it to retreat in the immediate battle there are no accident that the number of wars is increasing. The post-war settlement of Bretton Woods collapsed years ago and the bursting of the speculative bubble in 2007 means our capitalist masters are floundering for a new way. We are at the start of a cycle of accumulation and only a massive destruction of capital can restart it. At the moment devaluing working class wages (variable capital) is their main goal. This will not be achieved without the workers understanding the economy and they know it. In the twentieth century the ultimate devaluation came via war in 1939 and 1945. The First World War did not bring about the devaluation of the US dollar. The US dollar was not devalued until 1933. However the US dollar was not devalued until 1933. However the Second World War brought about a price of 45% of global capital. That figure has now fallen to 19.2%. And when a rising power like China feels it is being thwarted by the former great powers the scope for negotiation narrows. Already the US has responded to the more aggressive policy of Beijing in the South China Sea with its “Asian pivot” which seeks to reinforce its Asian allies (especially Japan and the Philippines). The consequence of this has been to spark off an arms race in the region. The lesson of history from the period leading up to the First World War was that arms races only end in war and those wars are often started by big powers supporting their mini-power allies when the stakes are high. We are not there yet but the preparations have already begun. The only alternative to capitalism’s “final solution” is world revolution. This seems at first sight to be even more far fetched. After decades of restructuring and the fragmentation of the old working class organisations of every description in the traditional capitalist states, a great deal of our historic memory as a class has been lost. However today there are 3.2 billion workers alive around the world. We can see from China to South Africa that they are not a mere sociological category. They are fighting against the drive to exploit them more and more. This exploitation is at the heart of capitalist treatment of its wage slaves. It is also the reason that the class struggle never goes away. We need to step up our fight for a society without nations, borders, states, wars, and exploitation. Our war is the class war!

Notes

1. Tito was one of the leaders of the 6th of the 16 gathered at Richmond Castle in 1936. He wrote this on his prison cell wall.
2. For more on this see http://www.leftcom.org/
3. Articles/2014-06-1775-years-since-the-southern invasion-of-philippines-the-13162016. This article is only a rough outline of our views which can be found in many more articles on our website.

What We Stand For:

A global society where production is free and not profit (and is therefore sustainable), where the state, militarised forces and money have been abolished, where power is exercised through class-wide organisations like workers councils. This can only be brought about through the action of working human beings. It will rid us of the capitalist oppression of poverty, hunger, oppression and war. We call it communism but it has nothing in common with 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 a better world. This is a government in waiting. It does not rule but it will lead and guide the struggle for a new world. We by no means claim to be that party, only one of the elements which will come together in its formation. As the working class is faced with the consequences of a crumbling capitalist system it will have to unite and confederate itself under 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.

BM CGD LONDON  
WICIN XXX  
e-mail: uk@leftcom.org  
Or visit our website:  
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