The Capitalist Crisis

Since the early 1970s 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 has an essential crisis of profitability. Twice the situation was “solved” in the mass slaughter, dehumanization of capital and technical advances around the two World Wars.

For the last 40 years the national ruling classes and their transnational corporations have adopted a succession of quick remedies to maintain their positions. Economic theories have come and gone, production has shifted to different areas of the globe and technological advances 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 biggest, although in both Ukraine and Syria the bigger powers are now able to use their own war machines without any fig leaves.

During the last two decades a vast bubble of financial fantasies has been created to try to keep capitalism afloat. This was the key element of the “Great Crash” of 2008. The current crisis around the Dhivehi Raa’i could well be the counterpart 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 back-up to any political machinations.

It is also the reality which the left Labour bosses 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 capital 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 intervention to support the crisis of capitalism. This was largely unsuccessful and Keynes himself acknowledged in his “General Theory of Employment, Interest and Money” that this was a “pie in the sky” picture of a kinder capitalism.

The “pie in the sky” picture of a kinder capitalism.

The failure of the neoliberalism of the 1980s, 90s, the Blairite “third way” and now the Corbynite Labourism shows us that trying to manage the crisis externalised in the form of state intervention will only be based on the needs of a higher order. The capitalist world system is in crisis and so-called solutions are just one more cover-up for the same old system.

The problem Socialism proclaimed by the Rt Hon John McDonnell is no more than a desperate attempt to “stimulate the economy” i.e. to help generate profits. As at the early stages of the crisis unfolded, the strategy was abandoned. A key milestone in the approach was reached in 1975 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 externalised in the form of state intervention can be considered as “social welfare.”

The policy Socialists proclaimed by the BNP, John McDonnell is no more than a move to the days of 1945-51 nationalisations and 1951-74 Keynesian state intervention. If such a change were possible two features would need to be explained.

Firstly, despite any talk about “taming the rich” or “squashing the multimillionaires” and how the faces around “disposable wealth” originate. The truth, rather than the illusions of “all the money is in the bank” 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 “renew” capitalism. Tinkering with tax rates, setting some higher levels of wages, restoring elements of welfare that has been hacked back to pieces could all make life temporarily less unbearable for some workers. However, these 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 ministry bosses’ class can provide a genuine alternative to ongoing misery and deprivation.

The Capitalist Spectrum ... (Continued over the page)
After Brexit: Nation or Class?  

(continued)

kind of brutality this kind of theory was unleashing. But it hasn’t stopped. In fact most of the neoliberal debates rested on the terrain of immigration as a problem, not on any of the positive aspects of immigration (such as heavy industrial, cultural and Scientific estimates (a 2.5% net contribution to the budget from EU migrants every single year). Instead the mood sank ever further into nationalism and anti-feminist sentiments (numerous UKIP’s ‘Brexit Points’ posters)

and it’s still going on. Part of the aim of abolishing the Home Secretary and foreign policy led Home Secretary Amber Rudd to come up with a plan to force companies to fire 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 by the ruling class. On the one hand they need a cheap labour force to meet the free market movement currently there. It’s one of the reasons they’re finding Brexit so difficult. On the other, they’re playing the game of divide and rule, pitting the finger at foreigners and blaming them for all the ills caused by the capitalist system in general and the fallout from the crash in 2008 in particular to which they have no real solution.

And it’s getting murkier. The Leave vote has created a shift in public discourse in the UK away from attributing ills to big business, huge migrant influxes and refugees being de-humanised and despised, where the political environment suddenly became hostile to anyone not conforming to the narrow (and often narrow minded) white, English, middle-class “taking control” has given voice to a number of violent bigots who now fear having to adapt to a situation they feel isn’t happening. 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. It is not 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 ‘casual’ employment, which allows people the freedom to choose when to log on and work’, argues the likes of Travis Kalanick, co-founder and CEO of Uber, based in San Francisco. They argue that the drivers pay too much and is vulnerable to exploitation.

Deliveroo’s entrenches’ protest outside the company’s London offices in August.

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

Above all they must have the Uber app – perhaps per week for the official one – because without it you will have no customers. Passengers must set a price which s/he always has the option of going to the same place of work day-in and day-out in order to earn a living, the question becomes a series of work ‘gig’ 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 phones. But just because someone is summoned to a casual job by an app triggered by a computer algorithm is not the only capitalist exploitation played for these digitally-announced gigs have to be worked over their own equipment for the job, just like any petty entrepreneur. For example Uber taxi drivers, who number 30,000 in London alone, are paid for these digitally-announced gigs have to have a lucrative revenue stream is based on the premise that they will end up earning less than minimum wage. Their whole strategy of using apps to provide a massive wage cut. It’s one of the reasons they’re finding Brexit so difficult. On the other, they’re playing the game of divide and rule, pitting the finger at foreigners and blaming them for all the ills caused by the capitalist system in general and the fallout from the crash in 2008 in particular to which they have no real solution.

The Gig Economy: Capitalism’s New Normal

It means not that today’s extreme conditions of precarious employment suffered by the majority of workers are any simpler, but simply a passive side effect of capitalist innovation which will eventually be ironed out. For the likes of Will Hutton (in The Guardian, 4.5.16), “as ever is the heart of the modern, the change agent whose innovations are welcome”. This is a complete delusion. For it is here the heart of the problem. The word “capitalism” today is heading towards a catastrophic solution to the third global crisis of its existence when the only progressive outcome for the entire system.

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. It is good in it as an attempt to pit the so-called ‘self-employed’ against the workers for a profit. No doubt this explains the sudden introduction of a plot to create a 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 RCGP and FIV new commission programmes according to perpetual undermining 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 scare the ruling class. At the Tory Party conference, George Freeman, one of Theresa May’s chief policy advisor, George Freeman, warned “against capitalism”, because the government did not intervene to make capitalism “more responsible”. Recognising that the weaknesses of the ruling class’s position, their whole strategy, 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. We can only remind our readers that the only sure way to a socially just society is not in the struggle for a fair day’s pay, but for the abolition of the wage systems’.

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

The road ahead

It is not to say that today’s extreme conditions of precarious employment suffered by the majority of workers are any simpler, but simply a passive side effect of capitalist innovation which will eventually be ironed out. For the likes of Will Hutton (in The Guardian, 4.5.16), “as ever is the heart of the modern, the change agent whose innovations are welcome”. This is a complete delusion. For it is here the heart of the problem. The word “capitalism” today is heading towards a catastrophic solution to the third global crisis of its existence when the only progressive outcome for the entire system.

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What We Stand For

We stand for a global society in which production is for need and not profit (and is therefore sustainable), where power is exercised through class-wide organisations like workers councils. It is a society which can rid us of the capitalist offspring of poverty, hunger, depression and war. We call it communism. It has to be a stable and structured relation with the proletariat.

In order to get there we are working to create a world where the working class exercise control over the means of production and money and the capitalist system. In order to do that we have to unite and confront capitalist power. We

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