

# Capitalist Energy Crunch: Towards Dark Winter

*On another important feature of the Great Depression of the capitalist world economy, its economic causes and its political consequences*

An Essay (with 5 Figures and 1 Table) by Michael Pröbsting, International Secretary of the Revolutionary Communist International Tendency (RCIT), 23 October 2021, [www.thecommunists.net](http://www.thecommunists.net)

In August, we warned against the official optimism of the bourgeois economists (shared by many left-wing commentators) who predicted a continuation of the cyclical upswing of the global economy.<sup>1</sup> Three weeks ago, we explained in more detail that the capitalist world economy is heading towards a second slump.<sup>2</sup> Meanwhile, many bourgeois economists have also become disillusioned. In fact, panic is spreading in these circles. A recent edition of *The Economist* – one of the smartest mouthpieces of the Western monopoly bourgeoisie – had a cover with the title “*The shortage economy*”, showing a picture with empty shelves in a supermarket.<sup>3</sup>

A key feature of the current shift towards a new slump is the energy crisis. Such crisis is evident in all parts of the world. In China, local authorities in at least 20 of the 31 provincial regions have been forced to resort to power rationing. According to the *South China Morning Post*, “two northeastern provinces, Liaoning and Jilin, have gone as far as cutting off power to traffic lights while also limiting the supply available to households, resulting in rolling blackouts in some places. And in Dongguan, an electronics manufacturing hub in Guangdong, some factories have been forced to limit production to just one or two days a week.”<sup>4</sup> These problems are likely to continue. Board members of the *European Union Chamber of Commerce in China* predict that electricity problems would last until March.<sup>5</sup>

A very similar situation exists in India. Coal makes up about 70% of the country’s electricity mix. 70 of its 135 power plants that are dependent on coal for electricity face a crisis. According to media reports, 20 have already shut and more might follow soon. Local authorities in “the national capital Delhi, Rajasthan, Punjab, Kerala, Maharashtra, Uttar Pradesh, Madhya Pradesh, Jharkhand, Andhra Pradesh and Tamil Nadu, to name a few – have already resorted to electricity cuts or are on the verge of announcing massive cuts in the electricity supply.”<sup>6</sup>

---

<sup>1</sup> See Chapter II in RCIT: World Perspectives 2021-22: Entering a Pre-Revolutionary Global Situation, 22 August 2021, <https://www.thecommunists.net/theory/world-perspectives-2021-22/>

<sup>2</sup> Michael Pröbsting: World Economy: Heading towards a Second Slump? 2 October 2021, <https://www.thecommunists.net/worldwide/global/world-economy-heading-towards-a-second-slump/>; by the same author: The Real Estate Bubble in Capitalist China. Evergrande, Fantasia, and Sinic make global investors tremble and for good reasons, 6 October 2021, <https://www.thecommunists.net/worldwide/asia/the-real-estate-bubble-in-capitalist-china/>

<sup>3</sup> *The Economist*, October 9th – 15th 2021

<sup>4</sup> Amanda Lee: China’s power crisis: why is it happening, how bad is it, and what if it continues into the freezing winter months? 10 October 2021, *South China Morning Post*, [https://www.scmp.com/economy/china-economy/article/3151710/chinas-power-crisis-why-it-happening-how-bad-it-and-what-if?utm\\_source=rss\\_feed](https://www.scmp.com/economy/china-economy/article/3151710/chinas-power-crisis-why-it-happening-how-bad-it-and-what-if?utm_source=rss_feed)

<sup>5</sup> Keith Bradsher: China’s Power Problems Expose a Strategic Weakness, 13 October 2021, <https://www.nytimes.com/2021/10/13/business/china-electricity-shortage.html>

<sup>6</sup> Anil Sharma: India faces a crisis as power shortage worsens, 13 October 2021, <https://asiatimes.com/2021/10/india-faces-a-crisis-as-power-shortage-worsens/>

Japan and South Korea are also facing energy problems. *Korea Electric Power Corporation* – South Korea’s largest electric utility – said it would raise prices for the first time in almost eight years.<sup>7</sup>

In Brazil, higher gas and oil prices – in combination with the worst drought in 91 years (resulting from the capitalist destruction of the climate) – has left hydropower plants unable to supply electricity. A massive rise of bills is the consequence in a profit-based economy. Hence, in the 12 months through September, electricity prices jumped 28.8% and cooking gas 34.7%, according to official data.<sup>8</sup>

The old imperialist countries in Europe and North America also face an energy crisis. Britain has been hit worst so far. Some of the country’s energy companies had to shut down operation due to high costs. Many petrol stations lack fuel and pictures with the sign “*Sorry out of use*” have made the headlines in recent weeks. The problem has been worsened by the lack of about 100,000 truck drivers, forcing the government to deploy soldiers in order to deliver fuel to petrol stations!<sup>9</sup>

But the crisis is also felt in other parts of the continent as European gas surged to a record 100 euros. Bloomberg reports: “*Energy prices are rising from the U.S. to Europe and Asia as the economy recovers from the global pandemic and people return to the offices. Europe is struggling to secure enough gas and coal ahead of the winter, with rising prices forcing some of industrial giants from fertilizer producers CF Industries to Yara International ASA and chemicals giant BASF SE to shut plants or curtail output.*”<sup>10</sup>

As a consequence, European storage sites are just under 75% full, the lowest level for this time of year in more than a decade. “*A cold winter in both Europe and Asia would risk European storage levels dropping to zero,*” says Massimo Di Odoardo at research firm Wood Mackenzie.<sup>11</sup> Hence, experts warn that European countries may face power outages in the winter months.<sup>12</sup>

A report of *Associated Press* characterizes the situation in warning terms: “*The world is gripped by an energy crunch — a fierce squeeze on some of the key markets for natural gas, oil and other fuels that keep the global economy running and the lights and heat on in homes. Heading into winter, that has meant higher utility bills, more expensive products and growing concern about how energy-consuming Europe and China will recover from the COVID-19 pandemic.*”<sup>13</sup>

---

<sup>7</sup> Dewey Sim: Asia braces for fallout as China and Europe face energy crunch, 4 Oct, 2021, [https://www.scmp.com/week-asia/economics/article/3151021/asia-braces-fallout-china-and-europe-face-energy-crunch?utm\\_source=rss\\_feed](https://www.scmp.com/week-asia/economics/article/3151021/asia-braces-fallout-china-and-europe-face-energy-crunch?utm_source=rss_feed)

<sup>8</sup> David Biller and Diane Jeantet: Brazil’s inflation hits double digits, punishing the poor, *Associated Press*, October 8, 2021, <https://apnews.com/article/business-caribbean-brazil-rio-de-janeiro-prices-2b300ff78c5ae0003903a036b155a319>

<sup>9</sup> James Ludden: UK government clears army to begin petrol deliveries from Monday, *Bloomberg*, 1 Oct 2021, <https://www.aljazeera.com/economy/2021/10/1/uk-government-clears-army-to-begin-petrol-deliveries-from-monday>

<sup>10</sup> Anna Shiryayevskaya, Vanessa Dezem and Elena Mazneva: Energy crunch: Natural gas prices in Europe hit record 100 euros, *Bloomberg*, 1 Oct 2021, <https://www.aljazeera.com/economy/2021/10/1/energy-crunch-natural-gas-prices-in-europe-hit-record-100-euro>

<sup>11</sup> David Mchugh, Colleen Barry, Joe McDonald and Tatiana Pollastri: Energy crunch hits global recovery as winter approaches, 2021-10-19, <https://apnews.com/article/coronavirus-pandemic-lifestyle-business-russia-health-70b97e36da53f62eba588b44f2b394bc>

<sup>12</sup> Dewey Sim: Asia braces for fallout as China and Europe face energy crunch, 4 Oct, 2021, [https://www.scmp.com/week-asia/economics/article/3151021/asia-braces-fallout-china-and-europe-face-energy-crunch?utm\\_source=rss\\_feed](https://www.scmp.com/week-asia/economics/article/3151021/asia-braces-fallout-china-and-europe-face-energy-crunch?utm_source=rss_feed)

<sup>13</sup> David Mchugh et al: Energy crunch hits global recovery as winter approaches

The U.S. faces energy problems too. Puerto Rico, one of Washington's colonies, has been hit worst. People face repeated power outages which have already provoked mass protests in San Juan, its capital city.<sup>14</sup>

### What has triggered the Energy Crisis?

Many bourgeois commentators name specific local factors in order to explain the energy crisis. In Britain, it is often referred to the lack of lorry drivers who have been usually migrant workers from Eastern Europe and who have been kicked out after Brexit, when the UK left the EU. It is worth mentioning that truck drivers are also lacking in other European countries as many of them have also been kicked out last year under the cover of the pandemic.

In China, commentators refer to the fact that provincial authorities were permitted to raise the price of electricity by not more than 10%. (This has been changed to 20% a few days ago.) At the same time, the price of coal is not similarly regulated, and it recently hit record highs. As a result, power companies have been unwilling to produce adequate power, because it is simply less profitable. This creates a difficult situation since coal remains the dominant source, providing 68.5% of China's power supply in 2020.<sup>15</sup>

All these local factors certainly play a role in causing the energy crunch. However, it is clear that if the same problem emerges at the same time in many different countries, there must be more fundamental, global causes for such a development.

Hence, other commentators point – with more justification – to global developments. As mentioned above, the shortage of (migrant) truck drivers in Europe – it is reported that about 500,000 are lacking – causes problems in transport. This is indeed a certain factor. It has been caused by the chauvinist response of the capitalist governments all over the world to the pandemic since spring 2020 which imposed a bonapartist policy against their own population and a chauvinist policy towards migrants and other countries. This is why, we note in passing, the RCIT characterizes the policy of the COVID Counterrevolution as *chauvinist state bonapartism*.<sup>16</sup>

---

<sup>14</sup> Sam Carliner: Protests Erupt in Puerto Rico to Fight a Worsening Energy Crisis, Left Voice, October 17, 2021, <https://www.leftvoice.org/protests-erupt-in-puerto-rico-to-fight-a-worsening-energy-crisis/>

<sup>15</sup> Amanda Lee: China's power crisis

<sup>16</sup> The RCIT has analysed the COVID-19 counterrevolution extensively since its beginning. Starting from 2 February 2020 we have published nearly 100 pamphlets, essays, articles and statements plus a book which are all compiled at a special sub-page on our website: <https://www.thecommunists.net/worldwide/global/collection-of-articles-on-the-2019-corona-virus/>. In particular we refer readers to the RCIT Manifesto: COVID-19: A Cover for a Major Global Counterrevolutionary Offensive. We are at a turning point in the world situation as the ruling classes provoke a war-like atmosphere in order to legitimize the build-up of chauvinist state-bonapartist regimes, 21 March 2020, <https://www.thecommunists.net/worldwide/global/covid-19-a-cover-for-a-major-global-counterrevolutionary-offensive/>. See also a new RCIT Manifesto: "Green Pass" & Compulsory Vaccinations: A New Stage in the COVID Counterrevolution. Down with the chauvinist-bonapartist police & surveillance state – defend democratic rights! No to health policy in the service of the capitalist monopolies – expand the public health sector under workers and popular control! 29 July 2021, <https://www.thecommunists.net/worldwide/global/green-pass-compulsory-vaccinations-a-new-stage-in-the-covid-counterrevolution/>; In addition, we draw attention to our book by Michael Pröbsting: The COVID-19

Another factor which is often mentioned is the massive rise of energy prices. U.S. crude is over \$83 per barrel, the highest in seven years, while international benchmark Brent is around \$85. Prices for natural gas have dramatically increased which affects Europe particularly hard as it imports 90% of its supply (largely from Russia). Since the start of the year, prices have risen to five times – from about 19 euros per megawatt hour to nearly 100 euros.

All these factors certainly play a role in explaining the energy crisis. In fact, they demonstrate the anarchic nature of capitalism. This is a system driven by the profit interests of the capitalists and the power interest of the ruling political elite. If it helps to consolidate their political power in a period of deep crisis, these governments brutally wipe up chauvinism and kick out migrant workers. The same, we note in passing, was done by the Stalinist-capitalist regime in China and the right-wing Modi government in India. Both regimes expelled the “migrant” workers – coming from rural areas – from the cities within a few weeks.

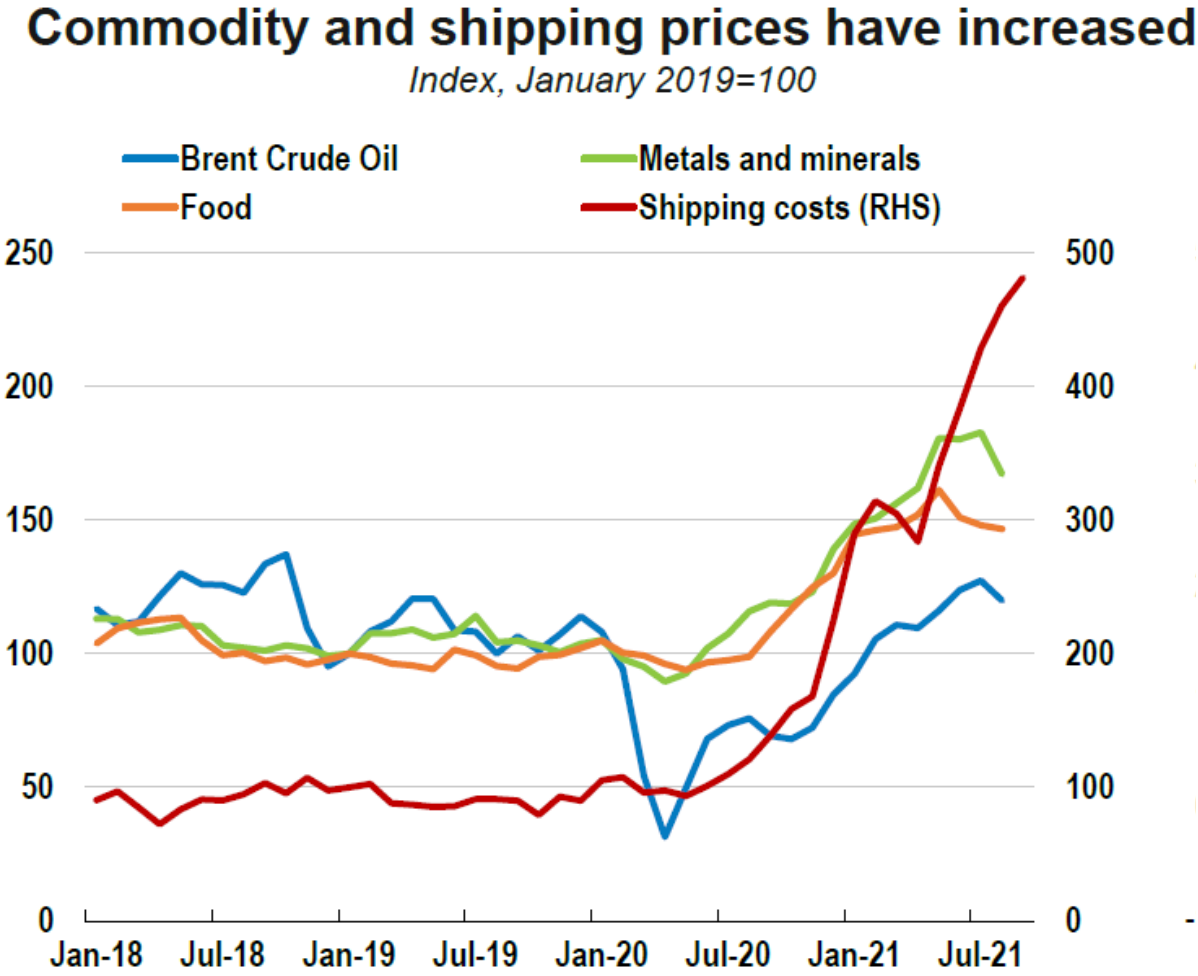
Similarly, the authoritarian state-bonapartist response to the pandemic with its notorious Lockdown policy dramatically affects the transport sector. The Chinese regime, for example, repeatedly closes crucial ports because of a few cases. This has caused – and continues to cause – massive global supply-chain disruptions. *“In June, Covid infections disrupted activity at the ports of Shenzhen and Guangzhou in China. Global container vessel congestion, including that stemming from the June stoppage in Shenzhen, has resulted in months-long overbooking of carriers and has driven up shipping rates. “It now costs nearly 10 times more to move a box from Asia to the U.S. West Coast than it did before the pandemic” reported global freight data provider Freight Waves.”* The Baltic Dry Index, a measure of shipping rates, rose to an 11-year high in August.<sup>17</sup> Figure 1 demonstrates the massive rise of commodity and shipping prices since the beginning of the recession.

---

Global Counterrevolution: What It Is and How to Fight It. A Marxist analysis and strategy for the revolutionary struggle, RCIT Books, April 2020, <https://www.thecommunists.net/theory/the-covid-19-global-counterrevolution/>. See also our very first article on this issue by Almedina Gunić: Coronavirus: "I am not a Virus"... but WE will be the Cure! The chauvinist campaign behind the “Wuhan Coronavirus” hysteria and the revolutionary answer, 2 February 2020, <https://www.thecommunists.net/worldwide/global/wuhan-virus/>; Michael Pröbsting: The Second Wave of the COVID-19 Counterrevolution. On the ruling class strategy in the current conjuncture, its inner contradictions and the perspectives of the workers and popular resistance, 20 July 2020, <https://www.thecommunists.net/worldwide/global/the-second-wave-of-the-covid-19-counterrevolution/>; by the same author: The Police and Surveillance State in the Post-Lockdown Phase. A global review of the ruling class’s plans of expanding the bonapartist state machinery amidst the COVID-19 crisis, 21 May 2020, <https://www.thecommunists.net/worldwide/global/police-and-surveillance-state-in-post-lockdown-phase/>; COVID-19: The Great Barrington Declaration is indeed Great! Numerous medical scientists protest against the reactionary lockdown policy, 11 October 2020, <https://www.thecommunists.net/worldwide/global/covid-19-the-great-barrington-declaration-is-indeed-great/>; Michael Pröbsting: COVID-19: The Current and Historical Roots of Bourgeois Lockdown “Socialism”. Police State and Universal Basic Income are key elements of the new version of reformist “War Socialism” of 1914, 19 December 2020, <https://www.thecommunists.net/theory/covid-19-the-current-and-historical-roots-of-bourgeois-lockdown-socialism/>. See also a number of Spanish-language articles of our Argentinean comrades: Juan Giglio: La izquierda de la "Big Pharma", dejó de defender las libertades, 1.10.2021, <https://convergenciadecombate.blogspot.com/2021/10/la-izquierda-de-la-big-pharma-dejo-de.html>; Juan Giglio: ¿Por qué la izquierda no cuestiona las políticas de la OMS? 8.9.2021, <https://convergenciadecombate.blogspot.com/2021/09/por-que-la-izquierda-no-cuestiona-las.html>

<sup>17</sup> Pierre Briançon: A Chinese Port Partially Closed Because of a Covid Infection. What to Know, 13 August 2021, <https://www.barrons.com/articles/china-ningbo-zhoushan-meishan-port-closure-51628879754>

Figure 1. Commodity and Shipping Prices, January 2018 to September 2021 <sup>18</sup>



Likewise, we see the anarchic nature of capitalism in the disruptions of global transport of goods. While empty containers pile up at the U.S. West Coast, Asian corporations are looking in vain for containers to export their goods. As a result, inventories in the manufacturing sector are declining, as Figure 2 shows.

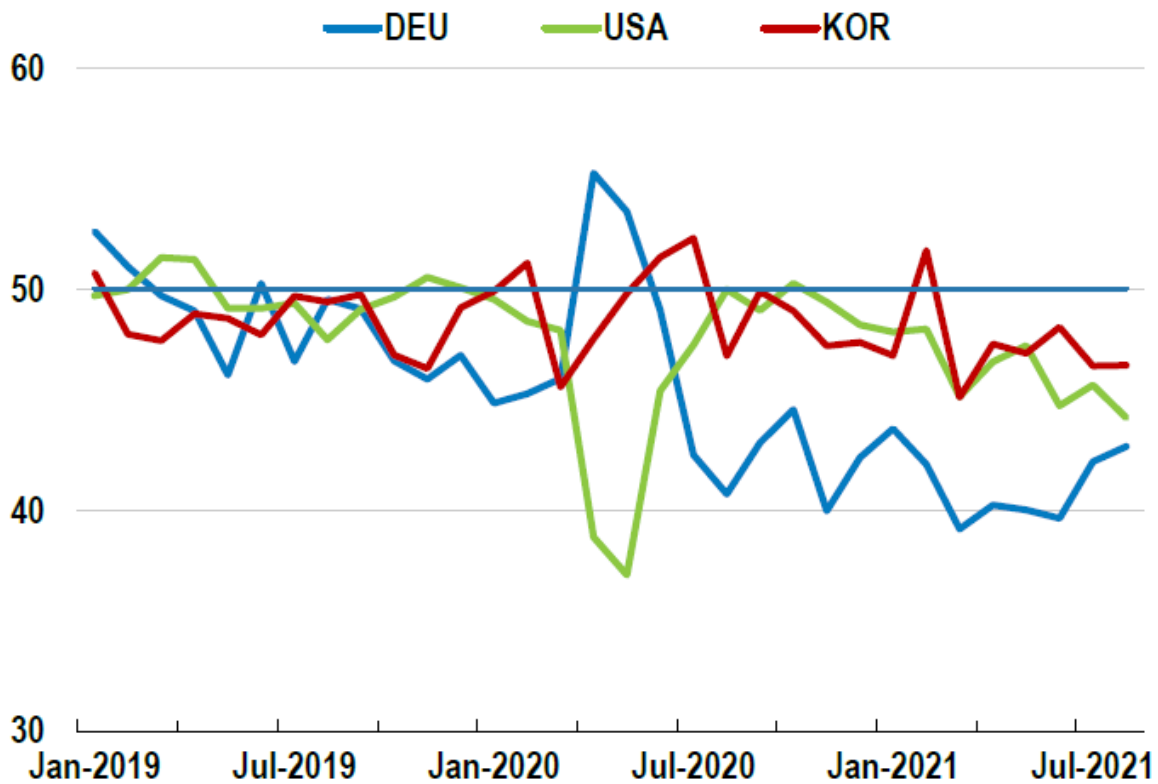
Figure 2. Inventories in the Manufacturing Sector in the U.S., Germany and South Korea, January 2019 to September 2021 <sup>19</sup>

<sup>18</sup> Mathias Cormann and Laurence Boone: OECD Interim Economic Outlook, 21 September 2021, Keeping The Recovery On Track (Presentation), p. 11

<sup>19</sup> Mathias Cormann and Laurence Boone: OECD Interim Economic Outlook, 21 September 2021, Keeping The Recovery On Track (Presentation), p. 10

## While inventories are declining

*Manufacturing sector, PMI,  
below 50: declining*



A socialist society would globally plan and coordinate the economy. Its decisions would be driven neither by profit interests of corporations nor by chauvinist interests of national states but by the global needs of the world population. Such a society would send containers where they are needed, would expand energy production capacities when they are needed, and would treat “foreign” workers not different from “domestic” workers.

### What are the Deeper Causes of the Energy Crisis?

However, in order to fully understand its causes, we have to go deeper. Starting from the simple logic of the advocates of the “free market”, it is difficult to understand why there exists not enough power supply when energy is needed. Remember, we were all told that the market is based on supply and demand. So, obviously there is demand for energy but why is there not enough supply?!

The deeper reason for the energy crisis is the general and long-term decline of capitalism which has resulted in the tendency of the profit rate to fall. This basically means that, in the long run, the share of surplus value becomes smaller relative to the total capital invested in production (in machinery, raw materials, etc., as well as wages paid to workers). Therefore, the surplus value which can potentially be used for the reproduction of capital on an extended level becomes less and less. This inevitably

leads to disruptions and crises and a historic tendency of decline as it becomes less and less profitable for the capitalists to invest in the expansion of production.

We have emphasized this point in various works so we will not go into detail at this point.<sup>20</sup> To give a brief empirical overview, we reproduce two figures published by the Marxist economist Michael Roberts. Figure 3 shows the development of the internal rate of return in the old imperialist states (U.S., Japan, Germany, France, UK, Italy and Canada) from 1950 to 2017. Figure 4 reflects the development of global corporate profits from 1997 to 2019. Both figures confirm the Marxist thesis that the profit rate tends to fall in the long run.

**Figure 3. Internal Rate of Return in the G7 States, 1950-2017**<sup>21</sup>

---

<sup>20</sup> See on this e.g. See on this e.g. Michael Pröbsting: Anti-Imperialism in the Age of Great Power Rivalry. The Factors behind the Accelerating Rivalry between the U.S., China, Russia, EU and Japan. A Critique of the Left's Analysis and an Outline of the Marxist Perspective, RCIT Books, Vienna 2019, Chapter I, <https://www.thecommunists.net/theory/anti-imperialism-in-the-age-of-great-power-rivalry/>; by the same author: The Catastrophic Failure of the Theory of "Catastrophism". On the Marxist Theory of Capitalist Breakdown and its Misinterpretation by the Partido Obrero (Argentina) and its "Coordinating Committee for the Refoundation of the Fourth International", RCIT Pamphlet, May 2018, <https://www.thecommunists.net/theory/the-catastrophic-failure-of-the-theory-of-catastrophism/>; World Perspectives 2018: A World Pregnant with Wars and Popular Uprisings. Theses on the World Situation, the Perspectives for Class Struggle and the Tasks of Revolutionaries, RCIT Books, Vienna 2018, <https://www.thecommunists.net/theory/world-perspectives-2018/>; The Great Robbery of the South. Continuity and Changes in the Super-Exploitation of the Semi-Colonial World by Monopoly Capital. Consequences for the Marxist Theory of Imperialism, RCIT Books, Vienna 2013, <https://www.thecommunists.net/theory/great-robbery-of-the-south/>; World economy – heading to a new upswing? (2009), in: Fifth International, Volume 3, No. 3, Autumn 2009, <https://www.thecommunists.net/theory/world-economy-crisis-2009/>; Imperialism, Globalization and the Decline of Capitalism (2008), in: Richard Brenner, Michael Pröbsting, Keith Spencer: The Credit Crunch - A Marxist Analysis, London 2008, <https://www.thecommunists.net/theory/imperialism-and-globalization/>; RCIT: Advancing Counterrevolution and Acceleration of Class Contradictions Mark the Opening of a New Political Phase. Theses on the World Situation, the Perspectives for Class Struggle and the Tasks of Revolutionaries (January 2016), Chapter II and III, in: Revolutionary Communism No. 46, <http://www.thecommunists.net/theory/world-perspectives-2016/>.

<sup>21</sup> Michael Roberts: Profitability, investment and the pandemic, 17 May 2020, <https://thenextrecession.wordpress.com/2020/05/17/profitability-investment-and-the-pandemic/>

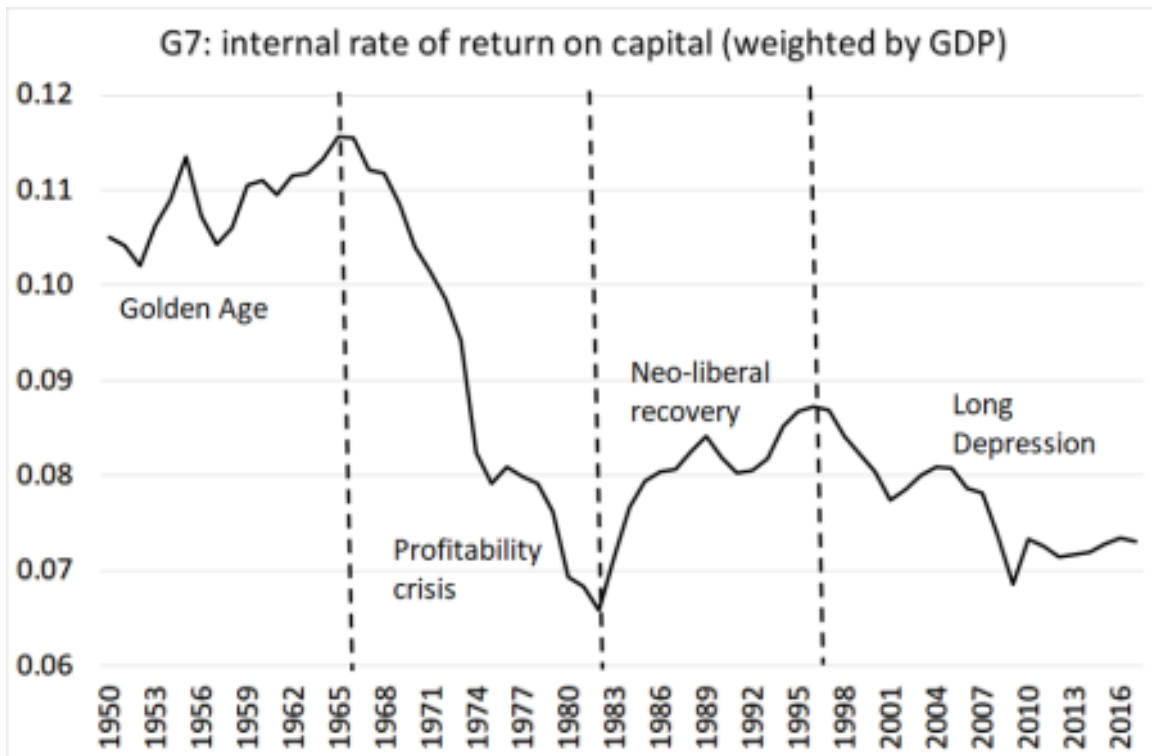
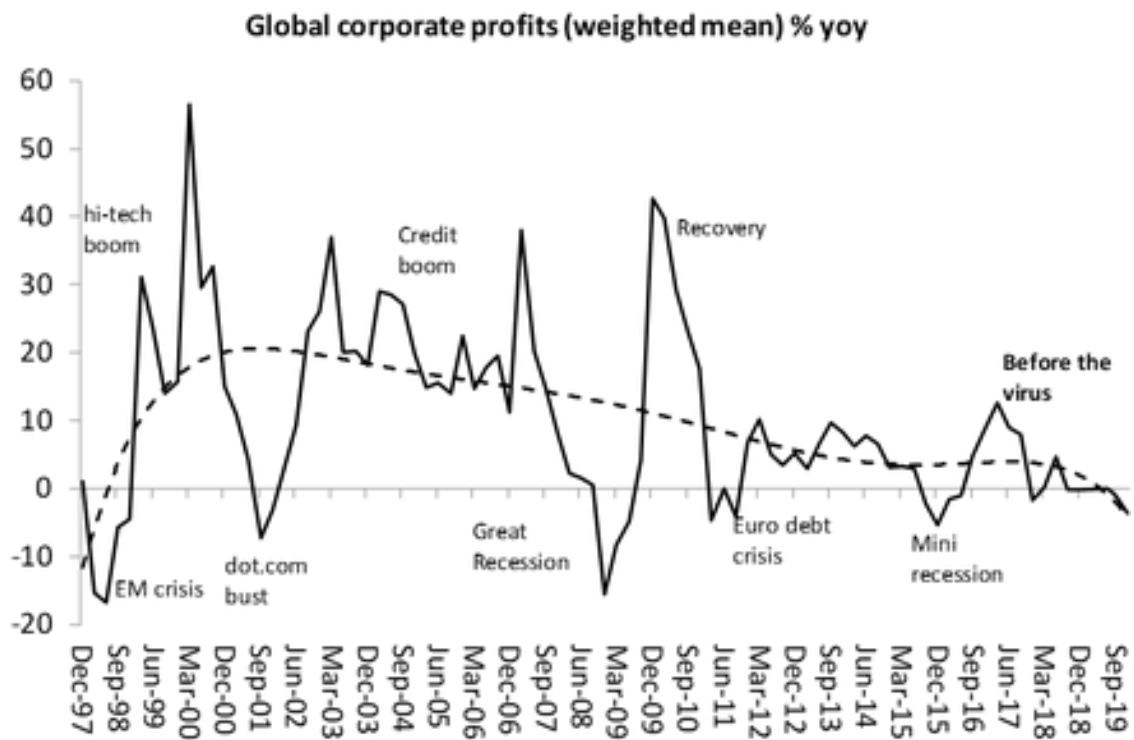


Figure 4. Global Corporate Profits, Annual Growth 1997-2019 <sup>22</sup>

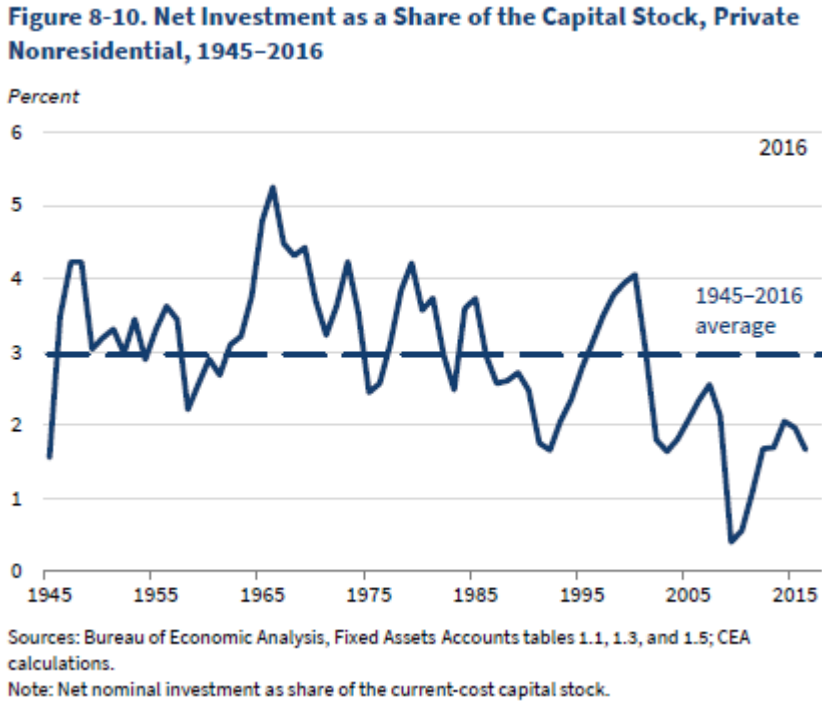


<sup>22</sup> Ibid



Such a decline of the profit rate has, in turn, resulted in a declining tendency of capital accumulation. This means that the growth dynamic of investment, i.e. the expansion of capital stock, declines. For example, in the U.S. net non-residential fixed investment as a share of GDP has fallen by almost half in the past decades – from 4.1% in the 1970s and 1980s to 2.5% in the 2010s.<sup>23</sup> Another measure which expresses the same dynamic is the historic development of net investment as a share of the capital stock. As we can see in Figure 5, this share has been falling in the U.S. for a long time – a process “which limits the economy’s productive capacity”, as the official *Economic Report of the President* of the White House noted worryingly in its 2018 edition.

**Figure 5. Net Investment as a Share of the Capital Stock in the U.S., 1945-2016**<sup>24</sup>



This tendency is also confirmed by a recently published survey of *The Economist*, which shows the long-term decline of investment of the 500 largest corporations in Europe and the U.S. While the annual growth of their capital expenditures was about 8,7% in 2001-10, this figure declined to 4.5% in 2010-19, i.e. nearly the half.<sup>25</sup>

This tendency of decline in growth of investment has been particularly relevant in the energy sector. An analyst of Goldman Sachs put it straight: “Gas, coal, oil, metals, mining – you pick – the old economy is

<sup>23</sup> See e.g. Thomas J. Duesterberg, Donald A. Norman: Why Is Capital Investment Consistently Weak in the 21st Century U.S. Economy, The Aspen Institute, April 2014, pp. 4-7; Oren Cass: We’re Just Speculating Here... The Rise of Wall Street and the Fall of American Investment, 25 March 2021, <https://americancompass.org/essays/speculating-wall-street-investment/>

<sup>24</sup> Economic Report of the President, February 2018, Washington, p. 399

<sup>25</sup> The Economist: Fossil fuels. Can’t live without them. Yet, 9 October 2021, p. 71

*significantly underinvested. We call it the revenge of the old economy. Poor returns saw capital redirected away from the old economy to the new economy.”*<sup>26</sup>

In other words, the capitalists think they can not make enough profit in these sectors if they would significantly increase their investment. Hence, they prefer to use their money in other sectors or speculate with it.

True, various governments have supported the creation of so-called “green energy” sector with financial aid, tax cuts, etc. But investment in such sectors has been limited since, again, capitalists invest only to that degree that they can expect sufficient profit. And since capitalist governments – particularly in the imperialist states – are suffering from a historically high and rising level of debts, their space for such state-capitalist interventions to boost the “green energy” sector is limited. (See Table 1)

**Table 1. General Government Debt, 2016 to 2021 (Percent of GDP)**<sup>27</sup>

Country	2016	2017	2018	2019	2020
Canada	91.7	88.8	88.8	86.8	117.5
France	98.0	98.3	98.0	97.6	115.1
Germany	69.3	65.0	61.6	59.2	69.1
Italy	134.8	134.1	134.4	134.6	155.8
Japan	232.5	231.4	232.5	235.4	254.1
United Kingdom	86.8	86.3	85.8	85.2	104.5
United States	106.9	106.0	107.1	108.5	133.9
China	48.2	51.7	53.8	57.1	66.3
India	68.9	69.7	70.4	74.1	89.6
Russian Federation	14.8	14.3	13.6	13.8	19.3
Latin America	56.4	61.1	67.4	68.3	78.1
Saudi Arabia	13.1	17.2	19.0	22.8	32.5
South Africa	47.1	48.6	51.6	56.3	69.4
World	83.2	82.0	82.3	83.6	98.6

As it is well known, we note in passing, this has also disastrous consequences for the climate which, in turn, also affects massively the economy (e.g. heating waves as well as harsh winter increase the energy costs; floods, hurricanes etc. also cause massive social and economic damage).

### **Economic and Political Consequences of the “Dark Winter”**

<sup>26</sup> Quoted in Kaelyn Forde: China power cuts, UK petrol woes: Why is there an energy crunch? 29 September 2021, <https://www.aljazeera.com/economy/2021/9/29/china-power-cuts-uk-petrol-woes-why-is-there-an-energy-crunch>

<sup>27</sup> IMF: Fiscal Monitor. Strengthening the Credibility of Public Finances, October 2021, Washington, p. 5

We shall conclude this essay by briefly pointing to the most important economic and political consequences and the resultant tasks for revolutionaries.

1. First, it is clear that the energy crisis will have massive consequences for the capitalist world economy. One does not need to be an Einstein to understand that repeated power cuts and rising prices will reduce production. This is even more the case since, as we have pointed out in our past articles, the energy crisis is not an isolated phenomenon but develops in combination with other symptoms of the capitalist crisis (increasing debts, transportation disruption, etc.). In short, we repeat our warning that the capitalist world economy remains stuck in the Great Depression which started in autumn 2019. After the first slump in spring 2020, it is now heading for a second one.

2. A second slump will have also dramatic political consequences. It is quite likely that such an energy crisis will provoke a “Dark Winter”. True, it is winter only for the northern half of the planet. However, a heating wave in the southern half will equally have massive negative effects for the energy crisis, i.e. it will also result in power outages and price increases. People will be forced to live in cold (or very hot) houses, TV, internet and radio will be disrupted, ... in short, this crisis will have immediate and drastic effects not only for corporations but also for the popular masses. In our recently published RCIT Manifesto, we characterized the present state of decay of bourgeois class society as “catastrophic capitalism”.<sup>28</sup> The current events are a powerful confirmation of our assessment!

3. This will inevitably provoke massive political crisis in many countries. It will undermine the credibility of governments. It will drive people on the streets protesting. Hence, it is likely that such a “Dark Winter” will provoke pre-revolutionary and revolutionary crisis in various countries.

4. Faced with such dangerous developments, capitalist governments will do whatever possible in order to suppress such unrest and to deflect public attention. There are several realistic possibilities how they could do this. First, they could declare another COVID emergency and claim that new Lockdown or other restrictions have to be imposed. Of course, the real purpose of such actions would not be to overcome the pandemic but rather to control the population in a situation which is very dangerous for governments. This was, as we have pointed out repeatedly, also the real purpose of the Lockdown policy in spring 2020 as many regimes – from China to France and Chile – were faced with popular uprisings since summer 2019.<sup>29</sup>

5. Furthermore, in addition to the pandemic, governments will also try to deflect public attention by provoking tensions with other states. As the RCIT has pointed out in various documents, several regions in the world are already riven with tensions between capitalist states. In the past years, we have seen a massive acceleration of rivalry between the imperialist Great Powers.<sup>30</sup> The most

---

<sup>28</sup> RCIT: The Fire of Revolution Will Burn Down Catastrophic Capitalism! Manifesto for the Liberation Struggle of the Workers and Oppressed Document adopted by the III. Congress of the RCIT, April 2021, <https://www.thecommunists.net/rcit-fire-manifesto-2021/>

<sup>29</sup> For an overview and a characterization of these events see, in addition the relevant statements on the individual countries, Michael Pröbsting: Are We Nearing a New “68 Moment”? A massive upsurge of global class struggle in the midst of a dramatic shift in the world situation 22 October 2019, <https://www.thecommunists.net/worldwide/global/are-we-nearing-a-new-68-moment/>

<sup>30</sup> The RCIT has dealt on numerous occasions with the inter-imperialist rivalry of the Great Powers. See e.g. the RCIT document: World Perspectives 2021-22: Entering a Pre-Revolutionary Global Situation, 22 August 2021, <https://www.thecommunists.net/theory/world-perspectives-2021-22/>; see also: RCIT: The Meaning of the AUKUS Pact. The U.S. escalates the inter-imperialist Cold War against China and provokes the EU, 18 September 2021,

important of these conflicts is the Cold War between the imperialist Great Powers U.S. and China.<sup>31</sup> Likewise, the tensions between the Western powers and Russia have escalated recently.<sup>32</sup> Add to this – to name just a few – the tensions in the Middle East (e.g. Israel-Iran; Algeria-Morocco, Turkey-Syria), in Eastern Africa (e.g. Egypt-Sudan-Ethiopia), in the Southern Caucasus where just recently a war took place between Armenia and Azerbaijan, or in South Asia (e.g. China-India, India-Pakistan, Tajikistan-Afghanistan). Finally, such an environment of acute crisis and chaos reinforces the conditions for coup d'états and civil wars (e.g. Tunisia, Ethiopia, Sudan, Mali, Guinea).

---

<https://www.thecommunists.net/worldwide/global/the-meaning-of-the-aucus-pact/>; Russia Fires Warning Shots against UK Warship in the Black Sea. Down with Cold Warmongering! No support for any imperialist Great Power – neither UK, US nor Russia! 24 June 2021, <https://www.thecommunists.net/worldwide/global/russia-fires-warning-shots-against-uk-warship-in-black-sea/>; see also the following two pamphlets by Michael Pröbting: “A Really Good Quarrel”. US-China Alaska Meeting: The Inter-Imperialist Cold War Continues, 23 March 2021, <https://www.thecommunists.net/worldwide/global/us-china-alaska-meeting-shows-continuation-of-inter-imperialist-cold-war/>; Servants of Two Masters. Stalinism and the New Cold War between Imperialist Great Powers in East and West, 10 July 2021, <https://www.thecommunists.net/theory/servants-of-two-masters-stalinism-and-new-cold-war/>; for more works on this issue see these sub-pages: <https://www.thecommunists.net/theory/china-russia-as-imperialist-powers/> and <https://www.thecommunists.net/worldwide/global/collection-of-articles-on-the-global-trade-war/>.

<sup>31</sup> The RCIT has published numerous documents about capitalism in China and its transformation into a Great Power. See on this e.g. our book by Michael Pröbting: *Anti-Imperialism in the Age of Great Power Rivalry. The Factors behind the Accelerating Rivalry between the U.S., China, Russia, EU and Japan. A Critique of the Left's Analysis and an Outline of the Marxist Perspective*, RCIT Books, Vienna 2019, <https://www.thecommunists.net/theory/anti-imperialism-in-the-age-of-great-power-rivalry/>. See also by the same author an essay published in the second edition of *The Palgrave Encyclopedia of Imperialism and Anti-Imperialism* (edited by Immanuel Ness and Zak Cope), Palgrave Macmillan, Cham, 2020, [https://link.springer.com/referenceworkentry/10.1007%2F978-3-319-91206-6\\_179-1](https://link.springer.com/referenceworkentry/10.1007%2F978-3-319-91206-6_179-1); China's transformation into an imperialist power. A study of the economic, political and military aspects of China as a Great Power (2012), in: *Revolutionary Communism* No. 4, <http://www.thecommunists.net/publications/revcom-number-4/>; How is it possible that some Marxists still Doubt that China has Become Capitalist? (A Critique of the PTS/FT), An analysis of the capitalist character of China's State-Owned Enterprises and its political consequences, 18 September 2020, <https://www.thecommunists.net/theory/pts-ft-and-chinese-imperialism-2/>; Unable to See the Wood for the Trees (PTS/FT and China). Eclectic empiricism and the failure of the PTS/FT to recognize the imperialist character of China, 13 August 2020, <https://www.thecommunists.net/theory/pts-ft-and-chinese-imperialism/>. See many more RCIT documents at a special sub-page on the RCIT's website: <https://www.thecommunists.net/theory/china-russia-as-imperialist-powers/>.

<sup>32</sup> The RCIT has published numerous documents about capitalism in Russia and its rise to an imperialist power. See on this e.g. several pamphlets by Michael Pröbting: *The Peculiar Features of Russian Imperialism. A Study of Russia's Monopolies, Capital Export and Super-Exploitation in the Light of Marxist Theory*, 10 August 2021, <https://www.thecommunists.net/theory/the-peculiar-features-of-russian-imperialism/>; *Russia and China: Neither Capitalist nor Great Powers? A Reply to the PO/CRFI and their Revisionist Whitewashing of Chinese and Russian imperialism*, 28 November 2018, <https://www.thecommunists.net/theory/russia-and-china-neither-capitalist-nor-great-powers-reply-to-po-crfi/>; *The Catastrophic Failure of the Theory of "Catastrophism". On the Marxist Theory of Capitalist Breakdown and its Misinterpretation by the Partido Obrero (Argentina) and its "Coordinating Committee for the Refoundation of the Fourth International"*, 27 May 2018, <https://www.thecommunists.net/theory/the-catastrophic-failure-of-the-theory-of-catastrophism/>; *Lenin's Theory of Imperialism and the Rise of Russia as a Great Power. On the Understanding and Misunderstanding of Today's Inter-Imperialist Rivalry in the Light of Lenin's Theory of Imperialism. Another Reply to Our Critics Who Deny Russia's Imperialist Character*, August 2014, <http://www.thecommunists.net/theory/imperialism-theory-and-russia/>; *Russia as a Great Imperialist Power. The formation of Russian Monopoly Capital and its Empire – A Reply to our Critics*, 18 March 2014, in: *Revolutionary Communism* No. 21, <http://www.thecommunists.net/theory/imperialist-russia/>. See various other RCIT documents on this issue at a special sub-page on the RCIT's website: <https://www.thecommunists.net/theory/china-russia-as-imperialist-powers/>

## Revolutionary Strategy

6. In short, “Dark Winter” creates the condition for a new phase of war and revolution. The RCIT calls all authentic revolutionaries to prepare for such a period! This means, on one hand, advocating an unwavering line of revolutionary struggle. Revolutionaries must oppose all economic and authoritarian attacks which the ruling class will launch under the cover of “Dark Winter” and advocate the methods of mass struggles and the self-organization of the workers and oppressed. In the face of the COVID Counterrevolution, Marxists have to oppose it and all related attacks (attack on democratic rights, Lockdowns, surveillance, enforced vaccination, etc.). They have to support strikes and demonstrations against such attacks (e.g. in Italy and France).<sup>33</sup> They need to oppose all forms of militarism and chauvinism. In the face of inter-imperialist conflicts, they have to take the position of *revolutionary defeatism*, i.e. opposing both sides and trying to utilize such conflicts in order to weaken and overthrow the imperialist rulers of both camps. The same applies to reactionary conflicts between semi-colonial capitalist states. In wars between an oppressor and an oppressed people or in the case of a reactionary coup d'état or civil war, revolutionaries have to take the side of the oppressed (without lending political support for their non-revolutionary leadership). On the other hand, revolutionaries need to intervene practically – or play an initiating role wherever possible – in popular protests against the attacks of the ruling class resulting from the “Dark Winter”. In short, the current crisis of capitalism poses the task to transform the “Dark Winter” for the popular masses into a “Dark Winter” for the capitalist ruling class!

7. Revolutionaries need to combine the political and practical intervention in such mass struggles with a bold program for socialist revolution. Such a program needs to advocate forms of mass struggles – *mass demonstrations, strikes, general strike*, etc. – as well as forms of mass self-organization – *councils of action, popular assemblies, armed self-defense units*, etc. Marxists have to explain that it is crucial to combine the struggles of today with the strategic task to break up the power of the ruling class (*workers control in enterprises, popular councils and militias, workers and popular governments*). Catastrophic capitalism must be overthrown – not only in one country but globally. The current events are a powerful demonstration that the burning problems of humanity can not be solved in a single country alone. They can only be tackled on a global scale, by a *world federation of workers and peasants' republics* which elaborate a joint international plan for production, transport, limiting and overcoming the climate change and so on.

8. Trotsky once noted: “*The great historical strength of the (Left) Opposition, despite its apparent weakness, lies in the fact that it keeps its fingers on the pulse of world historical processes, that it clearly*

---

<sup>33</sup> See on this e.g. RCIT: Italy: Dockers Prepare for Strike against the Green Pass! Solidarity with this important struggle against the COVID Counterrevolution! 13 October 2021, <https://www.thecommunists.net/worldwide/europe/italian-dockers-strike-against-green-pass/>; General Strike in Italy on 11 October: An Important Step Forward! Militant unions of the workers vanguard initiate successful mass protests, 12 October 2021, <https://www.thecommunists.net/worldwide/europe/general-strike-in-italy-on-11-october-an-important-step-forward/>; Green Pass in Italy: International Dockworkers Council Supports the Struggle of the Port Workers! 20 October 2021, <https://www.thecommunists.net/worldwide/europe/idc-supports-struggle-of-italian-port-workers-against-green-pass/>; see also Michael Pröbsting: Why Do Some Socialists Refuse to Support the Mass Struggle against the “Green Pass”? PTS/FT, PSTU/LIT, IMT and PCL in the face of the latest stage of the COVID Counterrevolution, 15 October 2021, <https://www.thecommunists.net/worldwide/global/why-do-some-socialists-refuse-to-support-the-mass-struggle-against-the-green-pass>

*perceives the dynamics of class forces, that it foresees the future and consciously prepares for it.”* <sup>34</sup> This is indeed the task of revolutionaries today and the RCIT – as well as other authentic revolutionaries – have operated with such a perspective for some time. The task now is to utilize our programmatic strength to advance the creation of a **Revolutionary World Party!** We repeat the conclusions of our *RCIT Manifesto*: If you agree with our goals, join us! Forward in the struggle for socialist world revolution! Let the fire of revolution burn down catastrophic capitalism!

---

<sup>34</sup> Leon Trotsky: Reply to an Ultimatum (December 1928), in: Leon Trotsky: The Challenge of the Left Opposition (1928-29), Pathfinder Press, New York 1981, p. 364