



REVOLUTIONARY COMMUNISM

Theoretical Review of the Revolutionary Communist International Tendency



www.thecommunists.net

New Series Issue Nr.64

November 2021

Capitalist World Economy: The Second Slump

Socialists & the 'Green Pass' * Energy Crunch & Dark Winter
The Real Estate Bubble in Capitalist China

English-Language Theoretical Review of the Revolutionary Communist International Tendency (RCIT), New Series No.64, November 2021

Why Do Some Socialists Refuse to Support the Mass Struggle against the “Green Pass”? <i>PTS/FT, PSTU/LIT, IMT and PCL in the face of the latest stage of the COVID Counterrevolution</i>	p.3
World Economy: Heading towards a Second Slump?	p.8
The Real Estate Bubble in Capitalist China <i>Evergrande, Fantasia, and Sinic make global investors tremble and for good reasons</i>	p.9
Capitalist Energy Crunch: Towards Dark Winter China <i>On another important feature of the Great Depression of the capitalist world economy, its economic causes and its political consequences</i>	p.13
RCIT: What We Stand For	p.23

Pictures on the cover: A card from the South Sea Bubble; from the 1841/1852 editions of “Extraordinary Popular Delusions and the Madness of Crowds” by Charles Mackay. (Source: Wikipedia, https://upload.wikimedia.org/wikipedia/commons/2/2d/South_Sea_Bubble_Cards-Tree.png)

Revolutionary Communism is the monthly English-language journal published by the *Revolutionary Communist International Tendency* (RCIT). The RCIT has sections and activists in Argentina, Brazil, Mexico, South Korea, Pakistan, Kashmir, Sri Lanka, Yemen, Israel / Occupied Palestine, Russia, Nigeria, Britain, Germany, and Austria.

www.thecommunists.net - rcit@thecommunists.net
Tel/SMS/WhatsApp/Telegram: +43-650-4068314

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

By Michael Pröbsting, International Secretary of the Revolutionary Communist International Tendency (RCIT), 15 October 2021

Italy is shattered by a mass struggle against the introduction of *Green Pass* by the neoliberal Draghi government. The *Green Pass* makes it mandatory for all workers to be vaccinated (resp. proof of recovery or a negative test for the past 48 hours for which they have to pay themselves). If the workers do not meet these criteria, they will be sacked.

The Green Pass is a state-bonapartist instrument to force the whole population to get vaccinated, to control their health status and to make it easier for the bosses to sack the workers. It serves the expansion of the capitalist state apparatus as well as the profit interests of Big Pharma. ¹

The Green Pass is a key project of the reactionary Draghi government. This is a government representing the whole monopoly bourgeoisie of Italy which is exemplified by the remarkable fact that it is supported by nearly all parties in parliament (the populist *Movimento 5 Stelle*, the right-wing populist *Lega*, Berlusconi's *Forza Italia*, the left-bourgeois *Partito Democratico*, as well as others).

Sinistra Italiana – a small left-wing party associated with the LINKE in Germany, SYRIZA in Greece, the ex-Stalinist parties PCF in France and PCE in Spain – split and two of its three deputies voted for the Draghi government. (By the way: This arch-opportunist party was already part of

the Conte's second government in 2019-21. So much for the “socialism” of these ex-Stalinists!)

Unsurprisingly, the *Green Pass* is enthusiastically supported by *Confindustria* – the national confederation of Italy's monopoly capitalists – and all bourgeois institutions, from the media to the church. Shamefully, the same is true for the bureaucracy of the main reformist unions like CGIL, CISL or UIL as well as the so-called Left.

In short, Italy's working class faces an unholy alliance of the capitalist state machinery, the bosses and the bureaucrats. It is therefore extraordinary that despite such a gigantic class enemy, significant sectors of the workers are waging a determined struggle against this authoritarian attack on their fundamental rights.

As we did already report, Italy's port workers are about to start strike actions and blockades at nearly all ports. ² On 11 October, a general strike took place which was organized by an alliance of militant grassroot unions – representing the workers vanguard. While the official platform (which had already been agreed some time ago) was focused on economic demands, various militant unions which organized the general strike have publicly opposed the Green Pass. Many participants of the mobilizations carried banner against this attack of the government. ³

Books of the RCIT

Michael Pröbsting: The COVID-19 Global Counterrevolution

What It Is and How to Fight It. A Marxist analysis and strategy for the revolutionary struggle

In *The COVID-19 Global Counterrevolution* Michael Pröbsting analyses the dramatic events in spring 2020 which have opened a new historic era. A triple crisis has shocked the world. The Third Depression has begun, characterized by a devastating economic slump of the capitalist world economy which is certainly no less dramatic than the crisis which started in 1929.

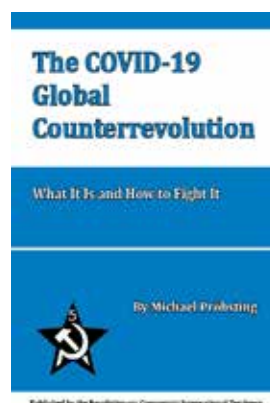
In addition, there is a wave of anti-democratic attacks of a scale which has not been seen in the imperialist countries since 1945. This has triggered a global turn towards Chauvinist State Bonapartism and the creation of a monstrous Leviathan-like state machinery.

And finally, the world faces COVID-19 – a pandemic which endangers many lives and which is exploited by the ruling classes in order to spread fear, to deflect attention from the capitalist causes of the economic crisis and to justify the turn towards chauvinist state bonapartism.

The COVID-19 Global Counterrevolution also shows that large sectors of the reformist workers movement and the

so-called left fail to understand the meaning of this triple crisis. Similar to the situation in 1914 after the beginning of World War I we can observe a gigantic wave of opportunist capitulation by many self-proclaimed socialists as they support or at least do not denounce the global lockdown and the suppression of democratic rights which the ruling classes are imposing in the name of combat against the pandemic. *The COVID-19 Global Counterrevolution* offers a Marxist analysis of this historic crisis and elaborates a revolutionary perspective for the struggles ahead.

The book contains an introduction and 6 chapters plus an appendix (176 pages) and includes 5 figures and a diagram.



Fascist Attack on the CGIL's Headquarter

On 9 October, a mass demonstration of about 100,000 people took place in Rome. During this event a small group of people (according to various reports this has been a group of fascists) attacked the headquarter of the main left-wing trade union federation CGIL.

Obviously, revolutionaries denounce such reactionary attacks. However, this incident has been cynically utilized by the Draghi government, the bosses and the trade union bureaucracy to deflect public attention from the authoritarian Green Pass attack. Draghi personally visited the national headquarters of the CGIL where the bureaucrats more than warmly welcomed him! Confindustria and even right-wing political parties all expressed their solidarity. They all mobilize for a national demonstration against fascism on 16 October where the state is called to dissolve the fascist *Forza Nuova* (the group which was involved in the reactionary attack on the CGIL headquarters).

It is evident that socialists must defend the reformist unions against any fascist aggression. However, this must not lead them to blindly follow the capitalist government (and the labor bureaucrats) which utilize such an event in order to confuse and demobilize the workers' struggle against reactionary attacks on their fundamental democratic rights!

PCL, LIT-CI and IMT: Denouncing the Struggle against the Green pass as "reactionary"

Unfortunately, various left-wing organizations also fall in this trap of the ruling class. As we noted already in our above-mentioned report on the 11 October general strike, Italian pseudo-Trotskyists like the PCL and the Mandel-ite group denounce the struggle against the Green Pass as "reactionary".

At this point we will not repeat our criticism. We shall only point out that the PCL leadership, in a new statement, openly denounces the strike of the port workers against the Green Pass and calls them a "rearguard", i.e. the reactionary opposite of an vanguard! ⁴ What a cynical slander! The port workers are a traditional *vanguard* in the class struggle with a high political consciousness. Only a few months ago, this supposed "rearguard" blocked a weapons and explosives shipment destined for Israel in a show of solidarity with the Palestinian people! ⁵

Sinistra Classe Rivoluzione – the Italian affiliates of Alan Woods' IMT – also joins the capitalist media and the reformist bureaucrats in shamefully slandering the mass anger against the Green Pass. They claim that this is something associated with the petty-bourgeoisie and the lumpenproletariat. ("This measure is unleashing anger among a section of the workers (though not the majority), and especially from the petty bourgeoisie and the lumpenproletariat.") ⁶ Such an approach is hardly surprising as the IMT has supported the COVID Counterrevolution since the beginning and praised the Lockdown policy of the Chinese Stalinist-capitalist regime. ⁷

The Italian IMT group's arch-opportunist adaption to reformism is also reflected in the fact that it advocates the classic social democratic call to the state to ban the fascists ("Saturday's demonstration calls for the dissolution of all the fascist organisations. The need for this is indisputable, and we subscribe to it."). Authentic Trotskyists, in contrast, refuse

to spread such criminal illusions in the capitalist state. the fascists must be smashed but they must be smashed by the armed workers and oppressed! Leon Trotsky – a central leader of the October Revolution in 1917 – was very clear on this issue. "Our slogan is not the disarming of the fascist gangs of finance capital by finance capital's own police. We refuse to spread the criminal illusion that a capitalist government can actually proceed to the disarming of the capitalist bands. The exploited must defend themselves against the capitalists. Arming of the proletariat, arming of the poor peasants! People's Antifascist Militia!" ⁸

It is no accident that the Britain-based IMT parrots the bourgeois policy of social democracy since it has opportunistically existed as a faction within reformist or even outright bourgeois parties for decades. This has shaped its policy from the beginning. These "Trotskyists", for example, even refused to call for an end of Britain's imperialist war against Argentina in 1982. It did so, among others, with the social-chauvinist argument that the Malvinas would belong to Britain and that would be the wish of the few settlers on this island exercising their "national self-determination"! ⁹

The *Partito di Alternativa Comunista* – the Italian section of the LIT-CI (PSTU in Brazil) – formally opposes the Green Pass but, in effect, it agrees with the principles of the bourgeois COVID policy. ¹⁰ It treats the whole issue as one of third- or fourth-tier importance (it has not a single article on its website about this issue). Its arguments against the Green Pass are in fact a call for an even more authoritarian intervention of the state. They criticize the government and Confindustria that they would "deny the pandemic" when in fact they utilize the hysteria about the pandemic as justification for imposing the mandatory Green Pass! They go even further by claiming that the Green Pass "is also a pretext to eliminate all measures of social distancing and containing the contagion, especially in the workplace. This is why we also oppose it. But we cannot accept the positions of those who oppose the Green Pass by supporting reactionary no vax or denialist positions." ¹¹ Likewise, they criticize that "for schools, social distancing is not mandatory but only suggested". ¹²

In summary, all these organizations fail to recognize the dangerous character of the Green Pass policy as an authoritarian, state bonapartist instrument to launch a strategic attack on the working class and the popular masses. Instead, they denounce the mass protests against the Green Pass as reactionary! Worse, they criticize the Draghi government for not launching even more drastic authoritarian measures to impose "social distancing", i.e. to weaken and undermine the collectivity among the workers and oppressed! But in the end, this is hardly surprising as these organizations and their international affiliates have supported the Lockdown policy of the capitalist governments in the past one and a half years.

PTS/FT: Failure to Understand the Nature of the Green Pass

Sadly, *Frazione Internazionale Rivoluzionaria* (FIR) – the Italian affiliate of the *Fracción Trotskista* (PTS in Argentina) – adapts to this reactionary trend of the centrist left. True, it does oppose the Green Pass in principle. The comrades correctly point out and criticize that "the Left ... largely uncritical defends the Green Pass". ¹³

However, the comrades fail to understand the nature of

the Green Pass and the policy of the ruling class behind it. The following sentences from their programmatic statement on this issue make this pretty clear. *“It is in the light of this class conflict that the “heavy” adoption of the Green Pass in Italy must be seen. It is a tool that can be used, with a certain political will, to push the crisis largely onto the backs of the working class, to continue to fail to provide the needed increases in funding for public health, and to avoid having to adopt more comprehensive and structural health measures even before vaccines became available.”* (Emphasis in the original)

So, the FT comrades say that the Green Pass “can” be utilized by the ruling class “with a certain political will”. No, comrades, this is confusing at best. This formulation suggests that the Green Pass introduced by a bourgeois government in the period of deep crisis of capitalism can also have a different purpose, one which would not be directed against the working class.

Comrades, this is dangerous nonsense! When a bourgeois government introduces an economic policy in a period of deep capitalist crisis, it will inevitable be a policy in the interests of the bosses and not of the workers. When a bourgeois government introduces a military policy in a period of deep capitalist crisis, it will inevitable be a policy in the interests of the ruling class and not of the workers. Why should this be different when it comes to the issue of health policy in a period of deep capitalist crisis?! As we have demonstrated in numerous works, the whole response of the ruling class to the COVID pandemic was (and could only have been) determined by political and economic interests directed against the working class and the oppressed peoples. This is why we call it the COVID Counterrevolution.¹⁴

The FT comrades seem to ignore that the Green Pass has been invented by the ruling class as an instrument against the workers and oppressed. It never had any other purpose and can not have any other purpose! This is why instruments like the Green Pass have been introduced by the ruling class in many countries all over the world under the pretext of the pandemic. The Stalinist-capitalist dictatorship in China was the first to do so.¹⁵ Macron in France and Mitsotakis in Greece did something similar. Other European governments are currently discussing such restrictions. All these instruments – like the Lockdown policy – are part of a strategy of the ruling class to expand the surveillance and control of the capitalist state against the popular masses and to promote the profit interests of big corporations.

The PTS/FT in the Face of the COVID Counterrevolution

Unfortunately, the comrades of *Fracción Trotskista* (FT) do not understand this. This is why they, on one hand, warn that the ruling class *can* utilize the COVID policy – be it the Green Pass or the state of emergency / Lockdowns – and, on the other hand, they do not oppose such policy in principle. We fear that the FT leadership fundamentally agrees with the Lockdown policy. This is why they never called for any protests against it but limited themselves to demand payment of full wages during the Lockdown periods.

Likewise, the FT agrees, in principle, with the mass vaccination campaign of the capitalist governments which first and foremost serves the interests of Big Pharma. This is why their only criticism with the capitalist mass vaccina-

tion campaign is that it is not done effectively enough and not in all countries in the world.¹⁶

Similarly, they share the anti-social policy of the ruling class to close schools and to isolate kids from each other. Their U.S. section has published a programmatic manifesto which demonstrates the defects of their policy. *“Though the spread of the highly contagious Delta variant should lead to increased safety measures, it seems that many schools are doing the opposite. For example, the NYC Department of Education will actually be decreasing the stringency of measures to keep children safe, such as social distancing, testing, and quarantining. (...) Schools must be made safer before allowing children back to in-person classes, especially since schools appear to be driving the community spread of the Delta variant.”*¹⁷ And this despite the well-know fact that the virus does not pose any serious danger for kids, that it is important for them to build up antibodies, that education is important for youth (and the society in general) and that social contacts are crucial for them.

The FT comrades also share the bourgeois policy of advocating social distancing – a dangerous instrument which undermines social cohesion in general and the class struggle in particular. *“At the same time, while the general public experiences pandemic fatigue, we cannot fall into the trap of repacking stadiums and other venues as variants continue to spread. This will only prolong the pandemic and increase deaths. Getting vaccinated, wearing masks, avoiding large public events — these should be all be seen as working-class acts of solidarity to confront a pandemic that the capitalist system is unwilling to solve.”*¹⁸ So distancing ourselves from each other, “avoiding large public events” (i.e. avoiding mass assemblies and demonstrations) are acts of “working class solidarity”?! No, these is the nightmare for many workers and youth and a wet dream of the bosses and politicians!

We see, the leadership of the PTS/FT is essentially ideologically tied to the capitalist COVID-19 policy. Of course, they have criticism, they point out that the capitalists combine this with profit interests, etc. But in its essential basics, the PTS/FT shares this policy. This is why they state: *“Of course, we agree with the abstract concept of “safe” jobs (...) and with the need to get as many people vaccinated as possible.”*

It is because of such opportunist adaptation that the FT has failed from the beginning to outline any meaningful program of struggle against the COVID Counterrevolution. They were not even aware that such a counterrevolution has been taken place and never characterized the response of the ruling class to the pandemic as such!

A “Clash of Civilizations”, Really?

For the same reason, they can not advocate any serious struggle today against the Green Pass in Italy. The Italian FT comrades consider those large sectors of the population who oppose the de facto compulsory vaccination as something between reactionary and silly. *“According to government data, nearly 14 million workers already have a Green Pass; those who do not include the group with the lowest rate of vaccination in the population, people 50 to 59 years of age. It is within this age group that the most open opposition to vaccination has proliferated, mostly due to fears over side effects and a belief that the vaccines are largely ineffective — a position that data refute point by point, but that has not become a big enough part of the public discourse. On top of that, the situation is exacerbated by shades of a “clash of civilizations” between “pro-vaxxers” and*

“anti-vaxxers.” It all gets mixed into the same cauldron with the views of the most blatant reactionaries — “Trump’s people,” who are mostly owners of small- and medium-size businesses — and segments of the most impoverished, whose distrust of institutions comes out in a form of individual populism.”

Such a statement completely misses the point. One has to ask oneself rather the following: How is it possible that only about half of Italy’s population supports the Green Pass despite the fact that the bourgeois parties, media and institutions are united in the advocacy of the Green Pass and bombard the people relentlessly since many weeks with corresponding manipulative propaganda?! Does this not reflect that the popular masses instinctively oppose such a draconic attack on their rights?! And contrary to the FT statement, it is the group below the age of 34 years where resistance is strongest.¹⁹

Furthermore, why do the comrades not ask themselves the question why should *all* people get vaccinated against a virus which is a serious danger only for older people and those with a precarious immune system?! And why is it such a problem if there are people unvaccinated when those who are vaccinated are supposedly safe?! And why did countries which did impose hardly any restrictions (like Sweden and Uruguay) not have more death per capita (or even less) than countries which imposed the harshest Lockdown and social distancing regime?!²⁰

No, comrades, this is not a *“clash of civilizations”* between enlightened and backward people. This is a vicious offensive of the ruling class all over the world against the working class and the oppressed. Surely, among those who oppose this policy are also reactionary or even fascist elements. Those who like to refer to this fact conveniently *“forget”* to mention that extreme right-parties in power have imposed the most draconic Lockdown policy (i.e. in India and Hungary), not to speak about various dictatorship.

Anyway, the opposition of fascists against the Green Pass is hardly an argument. Such forces like to exploit popular anger for their own purpose. Furthermore, revolutionaries derive their policy from the interests of the working class, and not by looking to the fascists with an inverted mirror! To give just one example: the French and English fascists also opposed the defense of their fatherland against Hitler in the 1930s. But this did not mean that the Trotskyists wavered in their anti-patriotic position or even joined the camp of Anglo-French imperialism!

The solution must not be that socialists ignore the protest movement against the Green Pass or leave the field to right-wing elements. They must rather join the mass struggle, build an independent working-class movement against the reactionary COVID policy of the governments and fight against the presence of fascists at such activities. The Italian general strike on 11 October and the port workers struggle against the Green Pass are excellent starting points for such a policy.

It is a fact that many workers instinctively recognize the reactionary character of the capitalist state bonapartism and oppose the policy of the COVID Counterrevolution (Lockdowns, social distancing, compulsory vaccination, Green Pass, etc.) In one way or another, the FT comrades are aware of this. But their conclusion is to ignore or play down such working-class opposition against the Green Pass.

In a report about the Italian general strike on 11 October, the FIR/FT comrades don’t mention the fact that several

unions raised slogans against the Green Pass and various marches were led by banner expressing such a viewpoint.²¹ They rather hush up these facts and claim: *“Noticeably scarce or completely absent were any of the “anti-green pass” (vaccine passport) groups. The base unions have rejected the divisiveness the government has been whipping up for months, aimed at pitting workers against each other as “vax” or “no vax.””*²²

The French FT Section Fights against the Green Pass ... but is shunned by their comrades!

Our critique of the FT approach to the COVID Counterrevolution would be incomplete if we would not report about the position of their French comrades in *Révolution Permanente* (RP). As known, there has been also a mass movement against the Green Pass which mobilized hundreds of thousands of people every weekend since July. The RP comrades correctly recognized the fundamentally progressive character of this movement against the *“health authoritarianism”*. Consequently, they have participated in this movement and fought for an independent working class policy and against the influence of right-wing forces.

They also recognize the reactionary character of the COVID Counterrevolution and oppose its various features. *“More than ever in face of government authoritarianism, it is urgent to demand the immediate repeal of the health pass, but also of the state of health emergency, and all the measures and laws against freedom, which aim to become institutionalized, in order to break our resistance, so that we can not wage struggles in the future.”*²³

However, if one looks at the Spanish, the English or the German website of the FT, one will find *not a single article* about these mass protests and about the approach of their French comrades! It is obvious that the international leadership of the FT has ordered its section to keep quiet about this issue! They reject the more left-wing approach of *Révolution Permanente* as this is in full contradiction to the international policy of the PTS/FT which opportunistically adapts to the policy of COVID Counterrevolution.

We conclude this essay by calling the comrades of the FT in all countries to open a serious and honest discussion about the character of the COVID Counterrevolution and the necessary strategy for the working class to fight against it. The RCIT – including our new comrades from *Convergencia Socialista* in Argentina – has a record of analyzing and fighting the COVID Counterrevolution from the very beginning. We would strongly appreciate if we could find agreement with the comrades of the FT and fight together against this strategic attack on the working class and the oppressed!

Footnotes

1 See on this e.g. the 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/>

2 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/](https://www.thecommunists.net/worldwide/global/covid-19-a-cover-for-a-major-global-counterrevolutionary-offensive/)

3 RCIT: 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/>

4 PCL: GKN e porto di Trieste, avanguardia e retroguardia, 14 Ottobre 2021, <https://www.pclavoratori.it/files/index.php?obj=NEWS&oid=7083>

5 Pro-Palestine Italian port workers refuse to load arms shipment destined for Israel, 15 May, 2021, <https://english.alaraby.co.uk/news/pro-palestine-italian-port-workers-refuse-arms-shipment-israel>

6 Sinistra Classe Rivoluzione: Italy: For a mass response to the fascist provocation! 12 October 2021, <http://www.marxist.com/italy-for-a-mass-response-to-the-fascist-provocation.htm>

7 For a critique of the IMT's policy see e.g. Michael Pröbsting: The COVID-19 Global Counterrevolution: What It Is and How to Fight It. A Marxist analysis and strategy for the revolutionary struggle, RCIT Books, April 2020, Chapter V, <https://www.thecommunists.net/theory/the-covid-19-global-counter-revolution/>

8 Leon Trotsky: A Program of Action for France (1934), in: Writings of Leon Trotsky 1934-35, Pathfinder Press, New York, 1974, p. 32, <https://www.marxists.org/archive/trotsky/1934/06/paf.htm>

9 See on this e.g. Michael Pröbsting: 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, pp. 331-335, <https://www.thecommunists.net/theory/greatrobbery-of-the-south/>;

10 For a critique of the PSTU/LIT's policy see e.g. 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, Part 4, <https://www.thecommunists.net/worldwide/global/the-second-wave-of-the-covid-19-counterrevolution/>; by the same author: Brazil: Social-Bonapartism of the Lockdown Left in Practice. How the leaderships of the trade unions, PT, PCdoB, the pseudo-Trotskyist PSTU and PSOL sabotage the struggle against the Bolsonaro government, 10 June 2020, <https://www.thecommunists.net/worldwide/latin-america/brazil-social-bonapartism-of-the-lockdown-left-in-practice/>

11 PdAC: Contro gli assalti dei fascisti organizziamo la lotta operaia! Sciopero generale contro il governo Draghi! 10 October 2021, <https://www.partitodialternativacomunista.org/articoli/sindacato/sull-assalto-fascista-alla-sede-cgil>

12 Alberto Madoglio: Gobierno Draghi: el balance de los trabajadores, 4 October 2021, <https://litci.org/es/gobierno-draghi-el-balance-de-los-trabajadores/>

13 FIR: Italy Is Making a Vaccine Passport Mandatory to Work. Let's Fight the Employer Association "Cure"! 24 September 2021, <https://www.leftvoice.org/italy-is-making-a-vaccine-passport-mandatory-to-work-lets-fight-the-employer-association-cure/>. The following quotes of the FIR/FT in this chapter are taken from this statement if not indicated otherwise.

14 The RCIT has analysed the COVID-19 counterrevolution extensively since its beginning. Starting from 2 February 2020 we have published nearly 90 pamphlets, essays, articles and statements plus a book which are all compiled at a special subpage 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/>; In addition, we draw attention to our above-mentioned book by Michael Pröbsting: The COVID-19 Global Counterrevolution: What It Is and How to Fight It. 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/>; 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>

15 See on this e.g. Chapter II of the above-mentioned book by Michael Pröbsting: The COVID-19 Global Counterrevolution: What It Is and How to Fight It; see also 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/>

16 See e.g. Left Voice: A Working-Class Program to Fight the Pandemic, 25 September 2021, <https://www.leftvoice.org/a-working-class-program-to-fight-the-pandemic/>

17 Ibid

18 Ibid

19 Just over half of Italians support green pass requirement for workers, says study, 14 October 2021, <https://www.the-local.it/20211014/just-over-half-of-italians-support-green-pass-requirement-for-workers-says-study/>

20 See on this e.g. COVID-19: Sweden's Total Mortality in 2020. Once again, the figures demonstrate that this is a serious but not unprecedented pandemic, 23 January 2021, <https://www.thecommunists.net/worldwide/global/covid-19-sweden-s-total-mortality-in-2020-compared-with-past-years/>; by the same author: COVID-19: A Comparison of Historical Data. An analysis of the COVID-19 death figures and those of past pandemics and climate disasters based on data from the World Bank, 19 January 2021, <https://www.thecommunists.net/worldwide/global/covid-19-a-comparison-of-historical-data/>

21 See for this our above-mentioned report.

22 La Voce delle Lotte: Rank-and-File Unions in Italy Take to the Streets, with Strikes and Demonstrations in Dozens of Cities, 13 October 2021, <https://www.leftvoice.org/rank-and-file-unions-in-italy-take-to-the-streets-with-strikes-and-demonstrations-in-dozens-of-cities/>

23 Philomène Rozan: Pass sanitaire : le Conseil Scientifique prône sa fin rapide, contre la position du gouvernement, 8 October 2021, <https://www.revolutionpermanente.fr/Pass-sanitaire-le-Conseil-Scientifique-prone-sa-fin-rapide-contre-la-position-du-gouvernement>

World Economy: Heading towards a Second Slump?

by Michael Pröbsting, International Secretary of the Revolutionary Communist International Tendency (RCIT), 2 October 2021

Observers of reports about the world economy will note that the mood among the bourgeois analysts has changed remarkably in the past weeks. One, two months ago, they were full of optimism. One institute after the other revised its prognosis upwards. Today, nervousness and fear are spreading.

This change of mood reflects an increasing number of bad news from all over the world. Global trade volume decreased by -0.9% in July (month-on-month) – the first time since the catastrophic Lockdown period in spring 2020. Declining factory output, rising protectionism (a result of the Great Depression as well as the Great Power rivalry), the Lockdown policy and shortages of shipping containers are causing massive disruptions of the global supply chains. It estimated that 10% of global container capacity is waiting offshore for unloading.

World industrial production has turned from growth to stagnation and looks to “turn south”, as the Americans like to paraphrase decline. In the second quarter of 2020 it did already decrease by -0.2% (quarter-on-quarter).

Add to this the global energy crunch. Oil prices are currently hovering near \$80 per barrel, a three-year high. This trend is expected to continue and analysts at Goldman Sachs expect Brent crude to hit \$90 a barrel by the end of the year. Related to these developments is a rise of inflation – not seen for decades.

China – the locomotive of the world economy – is riddled with increasing problems. Industrial production volume declined by -2.9% in the second quarter of this year (quarter-on-quarter) and continued to decrease in the last months. Reflecting the worsening energy crisis, China’s factories as well as citizens have suffered from power blackouts in recent months. As a result, the government has been forced to impose electricity rationing in at least 20 out of China’s 31 provinces.

In addition, China’s overblown property sector – ridden by profit-driven speculation – is in deep crisis. The real estate giant Evergrande is bogged down in a US\$300 billion debt quagmire. If it faces default, it will have dramatic consequences for the economy as well as for many home buyers. If the government bails it out (like the U.S. Administration did with Lehman Brothers in 2008), it will massively increase the already high level of public debt with negative long-term consequences for the whole economy (higher debt will limit future state spending and raise interest rates).

China is not the only example for the approaching crisis in the world economy. In Japan, factory output fell in

August by 3.2% from the month before, following a 1.5% decline in July.

U.S. stock markets suffered losses of 4.76% in September – the worst monthly loss since March 2020. The U.S. economy – highly dependent on import of goods as it has outsourced most of its industrial production in the past decades – also suffers from disruptions of its supplies. To quote a report from *The Guardian*: “There’s a quiet panic happening in the US economy. Medical labs are running out of supplies like pipettes and petri dishes, summer camps and restaurants are having trouble getting food, and automobile, paint and electronics firms are curtailing production because they can’t get semiconductors. One man told me he couldn’t get a Whopper meal at a Burger King in Florida, as there was a sign saying “Sorry, no french fries with any order. We have no potatoes. Imagine that, no french fries in America.”

Britain also faces empty supermarket shelves and shuttered gas pumps and the government plans to deploy the army in order to transport fuel. The rest of Europe also fears power blackouts and shortages of supplies.

All these developments confirm the Marxist analysis that the capitalist world economy remains stuck in the Great Depression. While the bourgeois economists were full of naïve optimism in the past months, we predicted that the world economy remains prisoner of its profound internal contradictions.

In the RCIT’s latest World Perspectives document, written two months ago, we provided a substantial Marxist analysis of that the capitalist world economy. We commented on the optimist predictions of bourgeois analysts: “We think that these economists are basically wrong and blinded by their ideological attachment to the capitalist profit-system. While it is not possible to make a concrete prediction of the course of the business cycle, one of the following developments seems to us far more likely: a) either the world economy will experience a second slump (similar to the run of the recession in 1980-82); b) or there will be a rather stagnant pseudo-upswing (similar to the development after the Great Recession in 2008- 09).” (World Perspectives 2021-22: Entering a Pre-Revolutionary Global Situation, Thesis 13, <https://www.thecommunists.net/the-ory/world-perspectives-2021-22/>)

What we see now are strong indications that the capitalist world economy is heading towards a second slump within the current Great Depression – after the first slump in the period autumn 2019 to summer 2020. No doubts, this will have dramatic social and political consequences. We hope to return to this subject in more detail soon.

Comunismo Revolucionario

Spanish-language Journal of the RCIT

Order the journal via our contact address: rcit@thecommunists.net

The Real Estate Bubble in Capitalist China

Evergrande, Fantasia, and Sinic make global investors tremble and for good reasons

by Michael Pröbsting, International Secretary of the Revolutionary Communist International Tendency (RCIT), 06.10.2021

The Great Depression of the capitalist world economy, which began in autumn 2019, has also affected China. This is hardly surprising since China constitutes a key component of global capitalism as it is the leading nation in world manufacturing (with a share of 28.7% of global output).¹

As we noted in recent articles, the world economy is heading towards a second slump and China plays a central role in this development.² In the present article we will deal with one of the areas where China's crisis is evolving – its real estate sector. (For a more extensive analysis of China's capitalism we refer readers to other works of the RCIT.³)

In recent weeks, several real estate giants – e.g. Evergrande, Fantasia, and Sinic – have failed to make interest payments. Evergrande alone has unpaid bills totaling more than \$300 billion – an “amount [which] is equivalent to 2 per cent of China's GDP and probably one of the biggest debt piles in the world.”⁴ In fact, these real estate giants are all tottering close to bankruptcy. As a result, their shares at the stock market are plunging. Evergrande's share price dropped by 80% since the beginning of the year.

This development reflects that the financial sector with its characteristic elements of bubble and speculation has become a key element of China's capitalist economy. It also shows that a significant proportion of its spectacular growth in the past decades had a fictitious character. And it also demonstrates that – particularly in the past decade since the Great Recession in 2008/09 – China's growth was based on a dramatic rise of debts.

Growing Debts

China's real estate sector has grown in the past decades by extraordinary proportions. In the period from 1995 to 2019, real estate investment – calculated as a share of economic output (GDP) – rose from 5% to over 13%. This is a much higher share than the U.S. ever had in recent history!

At the peak of the real estate bubble in the U.S. – before the spectacular wave of bankruptcies which began with Lehman Brothers in 2008 – the figure was 7%.⁵

China's massive real estate expansion was largely financed by increasing debts. Many people – largely from the urban middle class – bought new homes by incurring debts. As a result, China's household leverage ratio (the ratio of household debt to GDP) has risen rapidly from 18% in 2008 to 60% at the end of 2018. Today, outstanding mortgage debt makes up over 70% of total household debt.⁶

In many cases, new homes have been bought by people from the middle class or the bourgeoisie in order to sell them later for profit. In other words, the growing real estate sector was not only financed by growing debts but its whole purpose has become not so much to build new living space for people but rather to make profit via speculation. In 2008, “only” 30% of new homebuyers did already possess one or more dwellings. Ten years later, this share had increased to 87%. In other words, nearly 9 out of 10 new homebuyers did so not in order to find a place for living but rather to get another dwelling either for renting or for selling to someone else.

To understand this phenomenon, one needs to know that there is hardly any place in the world where urban housing – relative to income – is more expansive than in China's cities. If we take the Home Price-to-Rent Ratios, four of the five most expensive cities in the world are Chinese! (Shenzhen, Beijing, Hong Kong and Shanghai). Shenzhen ratio is two times as large as that of Tokyo and London and four times as large as New York and San Francisco!

If China's real estate giants collapse, it will have massive consequences for the whole economy. In 2016, real estate and construction industries combined accounted for around 29% of China's GDP. These sectors have also been crucial for job creation, making up around 20% of urban non-private employment. According to Bloomberg, “about

China: Restoration of Capitalism and Transformation into an Imperialist Power

A study of the economic, political and military aspects of China as a Great Power

By Michael Pröbsting (International Secretary of the RCIT)

Order the pamphlet via our contact address: rcit@thecommunists.net

41% of the banking system assets were either directly or indirectly associated with the property sector by the end.”⁷

Given the global weight of China’s economy, capitalist speculators and financial institutions all over the world fear the consequences of a default of the real estate market. France’s BNP Paribas – the largest bank in the Eurozone – published a note to investors: “We estimate less than USD50bn of Evergrande’s USD300bn outstanding debt is financed by bank loans. ... Suggesting the Chinese banking sector will have a sufficient buffer to absorb potential bad debts. (...) Over the past week, investors have become increasingly worried about the contagion risks to supply chains (commodities), social stability (construction workers, homebuyers), and credit stress (de-risking on Chinese high yield bonds), as the central government has been relatively muted on the Evergrande situation.”⁸

Soft Landing?

Given the huge weight of the real estate sector, it is quite possible that China’s Stalinist-capitalist regime will do everything it can in order to ensure a “soft landing”. A first sign for such a development is the fact that China’s central bank injected about \$123 billion of liquidity into the system in the last two weeks.⁹

If the regime does not intervene massively, large sectors of the capitalists and the middle class as well as workers in related industries will suffer drastic consequences. Needless to say that such a scenario would have explosive consequences in the already tense political situation. Li Guangman, a prominent retired newspaper editor with close ties to the regime, recently warned that without proper intervention, “China’s economy and society will be set on the crater of the volcano where all may be ignited any time.”¹⁰

However, even if the regime intervenes and bails out the capitalists, this would also have long-term negative consequences for the economy as it would result in a further massive rise of public indebtedness. By the 3rd quarter of 2020, China’s total debt as a share of GDP had increased to 288% - nearly double the share of 2008 (about 150%).¹¹ In its latest China report, the World Bank warned: “At current market interest rates, China’s large debt stock implies a significant aggregate interest burden, exceeding 10 percent of GDP. It is estimated that more than one-third of new credit to the non-financial sector is used to service the existing debt.”¹²

The increasing speculative activities are an unmistakable sign that China’s capitalists find it more and more difficult to generate high profit rates in the productive sector. In fact, China’s profit rate has constantly declined since the mid-1990s (See the Figure in the Appendix)

Some Conclusions

Let us draw a few conclusions.

1. First, it is obvious that China is close to another recession. As we did already point out in our recent article on the second slump of the world economy, its industrial production has declined in the past months, it faces power cuts and its real estate sector – the fastest growing sector of its economy in the last decade – is close to bankruptcy. The Stalinist-capitalist regime must massively intervene in the economy in order to avoid a deep recession. However, additional debt will result in higher interest payments and

lower growth in the next years.

2. These developments will have dramatic political consequences. Already in the last period, Beijing tightened political control. Its brutal intervention against the pro-democracy movement in Hong Kong¹³ as well as the draconic Lockdown policy were result of the desire of the Stalinist-capitalist regime to retain undisputed domination.¹⁴ Likewise, the regime clamps down on all forms on “unpatriotic” behavior and “extravagant” public personalities (including pop stars, social media influencer and “effeminate” so-called “sissy boys”). In order to deflect public attention from the domestic crisis, the Stalinist-capitalist regime wipes up chauvinism and threatens war against Taiwan. In the last days, it set one record after the other by sending an increasing number of fighter jets over the island. *Global Times* – the English-language mouthpiece of the regime – threatened in a recent editorial with the telling title “Time to warn Taiwan secessionists and their fomenters: war is real”. “If the US and the DPP authorities do not take the initiative to reverse the current situation, the Chinese mainland’s military punishment for “Taiwan independence” secessionist forces will eventually be triggered. Time will prove that this warning is not just a verbal threat.”¹⁵ In short, China – and the same is true for other imperialist Great Powers like the U.S. – could be increasingly tempted to provoke an external crisis as all major capitalist economies face the danger of a second slump.¹⁶

3. The huge proportions of the speculative real estate sectors, the declining profit rate, the desire of the regime to help the corporations, all this demonstrates once again what the RCIT and other Marxists have explained since many years: China’s state and economy were, are and will be capitalist (as long as the working class does not overthrow the regime). Only Stalinist fools and pseudo-Trotskyists – like the so-called Spartacist tradition or forces allied with the Argentinean PO – can imagine that the country with the largest number of billionaires and the largest number of top capitalist corporations in the world could be a ... “non-capitalist” or even a “socialist” state!

4. All this is also vindicated by the well-known close relations between the “red billionaires” and the “Communist” Party. Xu Jiayin, the boss of the China Evergrande Group, is a symbol for this. He has well-known close ties with the leading group in the party. He himself admitted in a 2018 speech: “All I have and all that Evergrande Group has achieved were endowed by the party, the state and the whole society.”¹⁷ Desmond Shum, a well-connected Chinese businessman, describes in a recently published book (“*Red Roulette*”) the deeply corrupted world of millionaires, billionaires and politicians.¹⁸ Again, only those blinded by Stalinism or Semi-Stalinism can claim that this would be “socialism”!

5. Finally, the nervous reactions of the global stock markets to the looming bankruptcy of Evergrande and other real estate giants reflect that China’s economy has become a powerful factor in world capitalism. Napoleon famously said “China is a sleeping giant. When she awakes, the world will tremble.” The nervous state of the global stock markets hearing the news about Evergrande and the central place of the Cold War between the Washington and Beijing in world politics fully confirm this. Still, self-proclaimed Trotskyists like the Argentina-based PTS/FT or the Brazil-based PSTU/LIT deny the imperialist char-

acter of China, claiming that Beijing would have a kind of dependent or subordinated position to the Western Great Powers. We ask these comrades: "Would a real estate bubble in Argentina or Brazil, or in Malaysia or Indonesia cause such a jittery at Wall Street, London or Frankfurt? Certainly not! But Evergrande, Fantasia, and Sinic do!" This demonstrates the difference between a dominant and a dominated country in the capitalist world economy, between an imperialist and a semi-colonial state! We repeat once more that it is impossible for Marxists to find a correct orientation without understanding the imperialist nature of China and without such a recognition it is impossible to take a revolutionary position in any conflict between these states, i.e. consistently opposing all of them!¹⁹

Footnotes

1 Felix Richter: These are the top 10 manufacturing countries in the world, World Economic Forum, 25.2.2020, <https://www.weforum.org/agenda/2020/02/countries-manufacturing-trade-exports-economics/>; output measured on a value-added basis in current U.S. dollars.

2 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/>; see also these articles by our Argentinean comrades: Juan Giglio: A 13 años del Lehman Brothers y en el medio de la caída de Evergrande, 26.10.2021, <https://convergenciadecombate.blogspot.com/2021/09/a-13-anos-del-lehman-brothers-y-en-el.html>; Damián Quevedo, Evergrande, una burbuja a punto de explotar en nuestro continente, 5.10.2021, <https://convergenciadecombate.blogspot.com/2021/10/evergrande-una-burbuja-punto-de.html>

3 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 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, <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; 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/>; China's Emergence as an Imperialist Power (Article in the US journal 'New Politics'), in: "New Politics", Summer 2014 (Vol:XV-1, Whole #: 57)

4 India Today: Explained: Why China's Evergrande crisis has sent global stock markets in panic mode, 21 September 2021, <https://www.indiatoday.in/business/story/china-evergrande-crisis-global-stock-markets-in-panic-mode-1855467-2021-09-21>

5 The figures on China's real estate sector, if not indicated otherwise, are taken from a highly informative research paper which has been recently published by a U.S. and a Chinese analyst from the *National Bureau of Economic Research*: Kenneth S. Rogoff and Yuanchen Yang: Peak China Housing, NBER Working Paper Series, Working Paper 27697, <http://www.nber.org/papers/w27697>

6 See on this also Martin Wolf: The economic threats from China's real estate bubble, Financial Times, 5.10.2021, <https://www.ft.com/content/1abd9d4b-8d94-4797-bdd7-bee0f960746a>

7 Bloomberg: China's banks downplay risks after Evergrande misses payments, 23 September 2021, <https://www.thenationalnews.com/business/2021/09/23/chinas-banks-downplay-risks-after-evergrande-misses-payments/>

8 Quoted in Reuters: What analysts have to say about Evergrande as default risks rise, 21 September 2021, <https://www.reuters.com/>

Appendix: China: Internal Rate of Return²⁰



[reuters.com/article/china-evergrande-debt-idCNL4N2ON127](https://www.reuters.com/article/china-evergrande-debt-idCNL4N2ON127)

9 William Pesek: Xi plots prudent response to Evergrande crisis, Asia Times, 4 October 2021, <https://asiatimes.com/2021/10/xi-plots-prudent-response-to-evergrande-crisis/>

10 Quoted in Alexandra Stevenson, Michael Forsythe and Cao Li: China and Evergrande Ascended Together. Now One Is About to Fall, Sept. 28, 2021, <https://www.nytimes.com/2021/09/28/business/china-evergrande-economy.html>

11 World Bank: China Economic Update, December 2020: From Recovery to Rebalancing: China's Economy in 2021, Washington 2020, p. 28; Desmond Lachman: Is this China's Lehman Brothers moment? 21.09.2021, <https://thehill.com/opinion/finance/573102-is-this-chinas-lehman-brothers-moment>

12 World Bank: China Economic Update, June 2021 : Beyond the Recovery - Charting a Green and Inclusive Growth Path, Washington 2021, p. 30

13 See on this e.g. RCIT: China / Hong Kong: The Beginning of the Counterrevolution. The new National Security Law represents a full-scale assault on democratic rights by the Stalinist-Capitalist regime! 1 July 2020, <https://www.thecommunists.net/worldwide/asia/china-hong-kong-the-beginning-of-the-counterrevolution/>

14 The RCIT has analysed the COVID-19 counterrevolution extensively since its beginning. Starting from 2 February 2020 we have published nearly 90 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 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/](https://www.thecommunists.net/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>

15 Global Times: Time to warn Taiwan secessionists and their fomenters: war is real, Global Times Editorial, 4 October 2021, <https://www.globaltimes.cn/page/202110/1235638.shtml>

16 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, <https://www.thecommunists.net/worldwide/global/the-meaning-of-the-aukus-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 Pröbsting: "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/>.

17 Quoted in Alexandra Stevenson, Michael Forsythe and Cao Li: China and Evergrande Ascended Together

18 Desmond Shum: Red Roulette. An Insider's Story of Wealth, Power, Corruption, and Vengeance in Today's China, Simon & Schuster, New York 2021

19 For our programmatic approach on inter-imperialist conflicts see e.g. RCIT: Theses on Revolutionary Defeatism in Imperialist States, 8 September 2018, <https://www.thecommunists.net/theory/theses-on-revolutionary-defeatism-in-imperialist-states/>; see also chapters XVI to XX in the above-mentioned book by Michael Pröbsting: Anti-Imperialism in the Age of Great Power Rivalry.

20 Michael Roberts: China at a turning point? 5 October 2021, <https://thenextrecession.wordpress.com/2021/10/05/china-at-a-turning-point/>



Publications of the RCIT

The Origins of the Jews

By Yossi Schwartz, July 2015

Chapter I: What are the origins of the Jews?

Chapter II: The Rise of Anti-Semitism

Chapter III: Anti-Semitism and Zionism

Chapter IV: The Russian Revolution:

Bolshevism, the Bund, and Stalinism

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 RCIT, 23 October 2021

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.¹ Three weeks ago, we explained in more detail that the capitalist world economy is heading towards a second slump.² 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.³

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.”⁴ 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.⁵

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.”⁶

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.⁷

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.⁸

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!⁹

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.*”¹⁰

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.¹¹ Hence, experts warn that European countries may face power outages in the winter months.¹²

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.*”¹³

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.¹⁴

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 2020.¹⁵

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*.¹⁶

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.¹⁷ Figure 1 demonstrates the massive rise of commodity and shipping prices since the beginning of the recession.

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.

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.²⁰ 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.

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.²³ 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.

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.²⁵

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 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.”*²⁶

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

Figure 1. Commodity and Shipping Prices, January 2018 to September 2021 ¹⁸

Commodity and shipping prices have increased

Index, January 2019=100

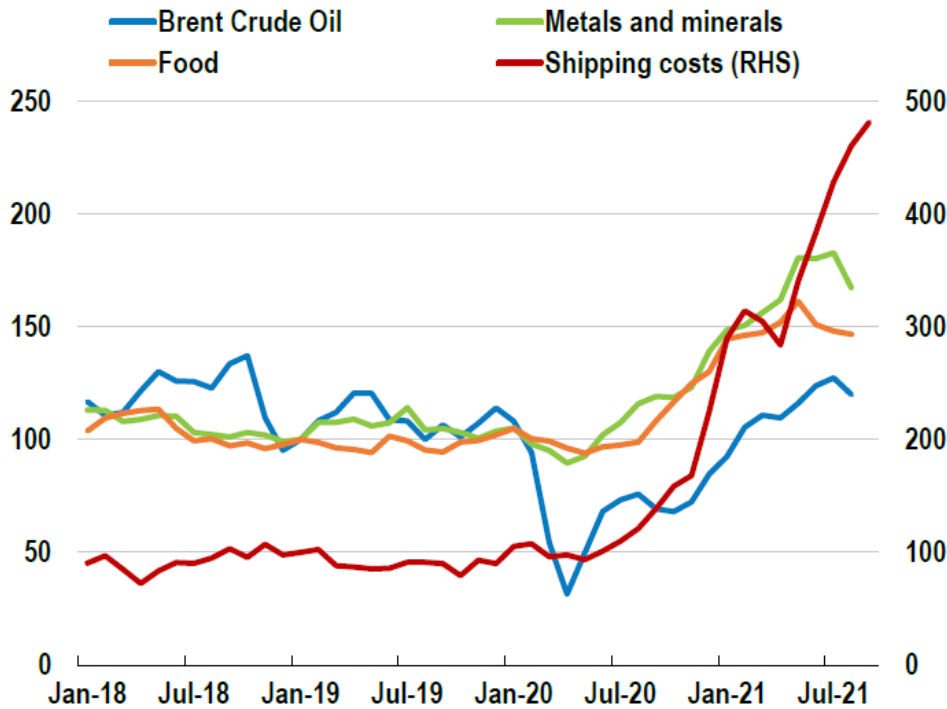
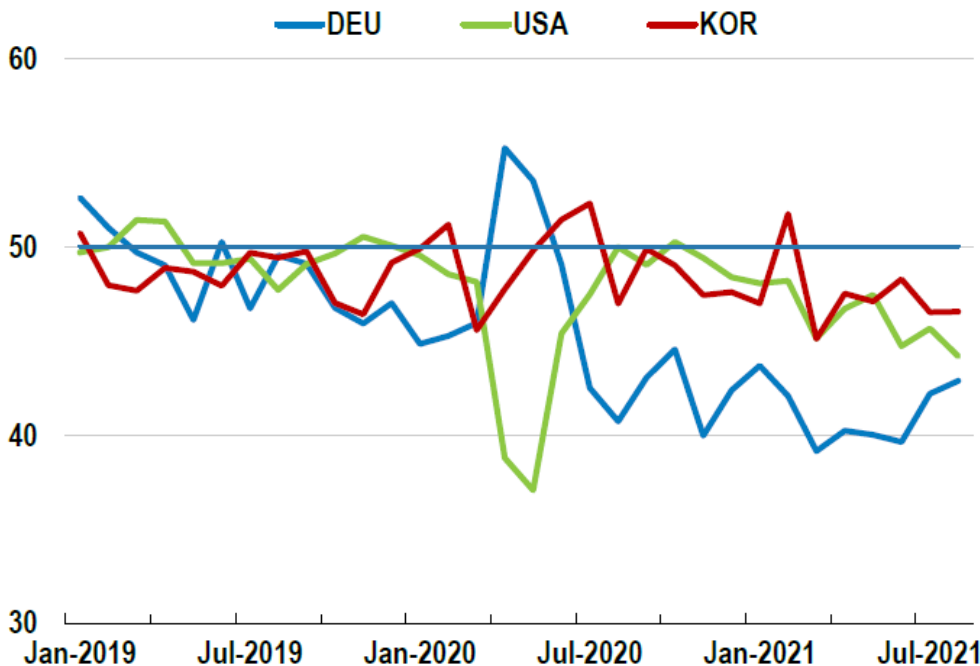


Figure 2. Inventories in the Manufacturing Sector in the U.S., Germany and South Korea, January 2019 to September 2021 ¹⁹

While inventories are declining

*Manufacturing sector, PMI,
below 50: declining*



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)

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”

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”.²⁸ The current events are a powerful confirmation of our assessment!

3. This will inevitable 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 2019.²⁹

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.³⁰ The most important of these conflicts is the Cold War between the imperialist Great Powers U.S. and China.³¹ Likewise, the tensions between the Western powers and Russia have escalated recently.³² 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).

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).³³ 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

Figure 3. Internal Rate of Return in the G7 States, 1950-2017 ²¹

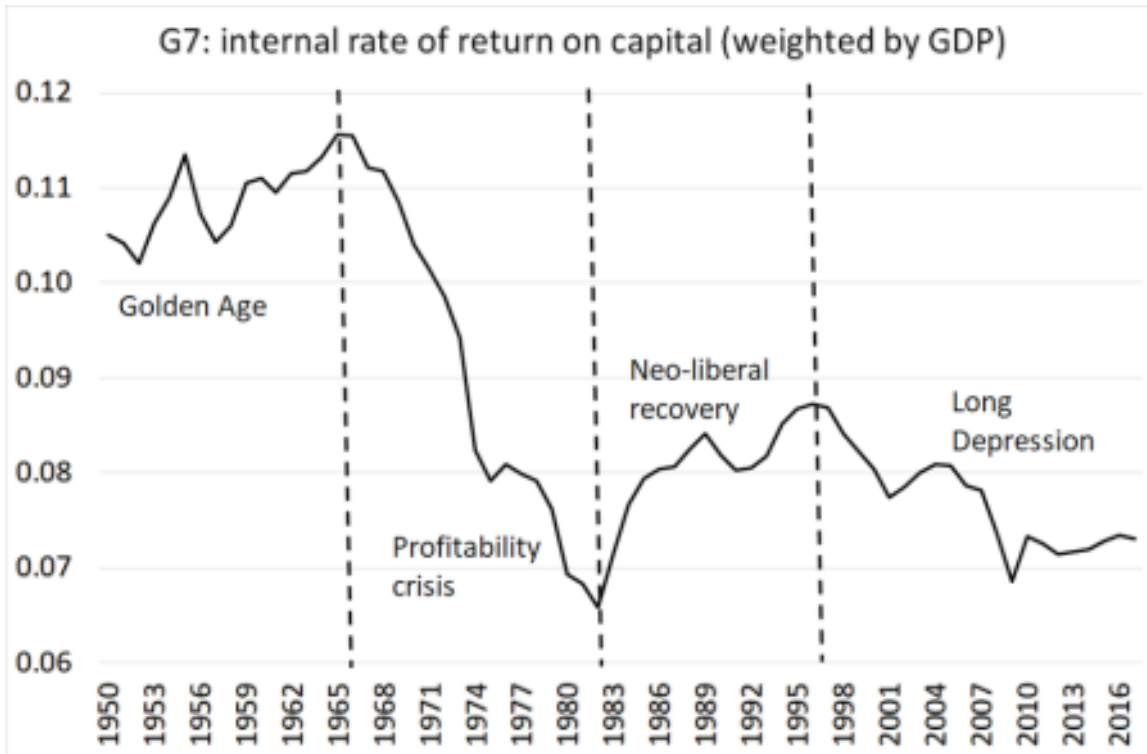
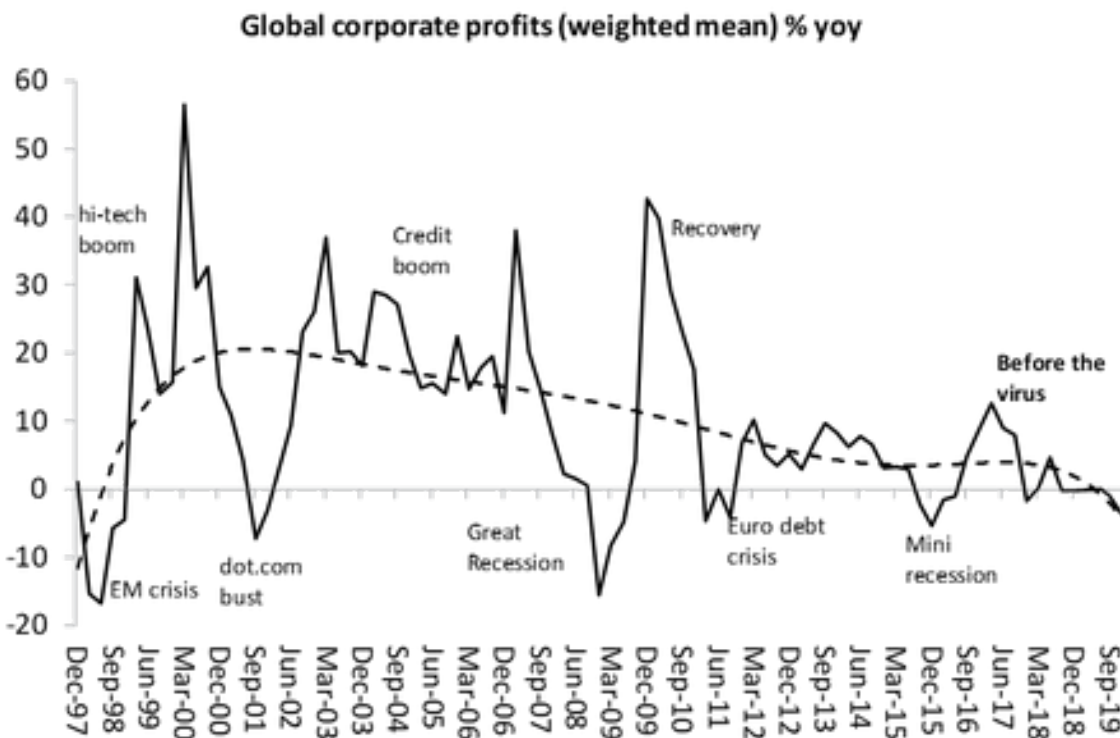


Figure 4. Global Corporate Profits, Annual Growth 1997-2019 ²²



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 perceives the dynamics of class forces, that it foresees the future and consciously prepares for it.*”³⁴ 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!

Footnotes

1 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/>

2 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/>

3 The Economist, October 9th – 15th 2021

4 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

5 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>

6 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/>

7 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

8 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>

9 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>

10 Anna Shiryavskaya, Vanessa Dezem and Elena Mazneva: Energy crunch: Natural gas prices in Europe hit record 100 euros, Bloomberg, 1 Oct 2021, <https://www.aljazeera.com/econ>

[omy/2021/10/1/energy-crunch-natural-gas-prices-in-europe-hit-record-100-euro](https://www.aljazeera.com/economy/2021/10/1/energy-crunch-natural-gas-prices-in-europe-hit-record-100-euro)

11 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-70b97e36da53f62e-ba588b44f2b394bc>

12 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

13 David Mchugh et al: Energy crunch hits global recovery as winter approaches

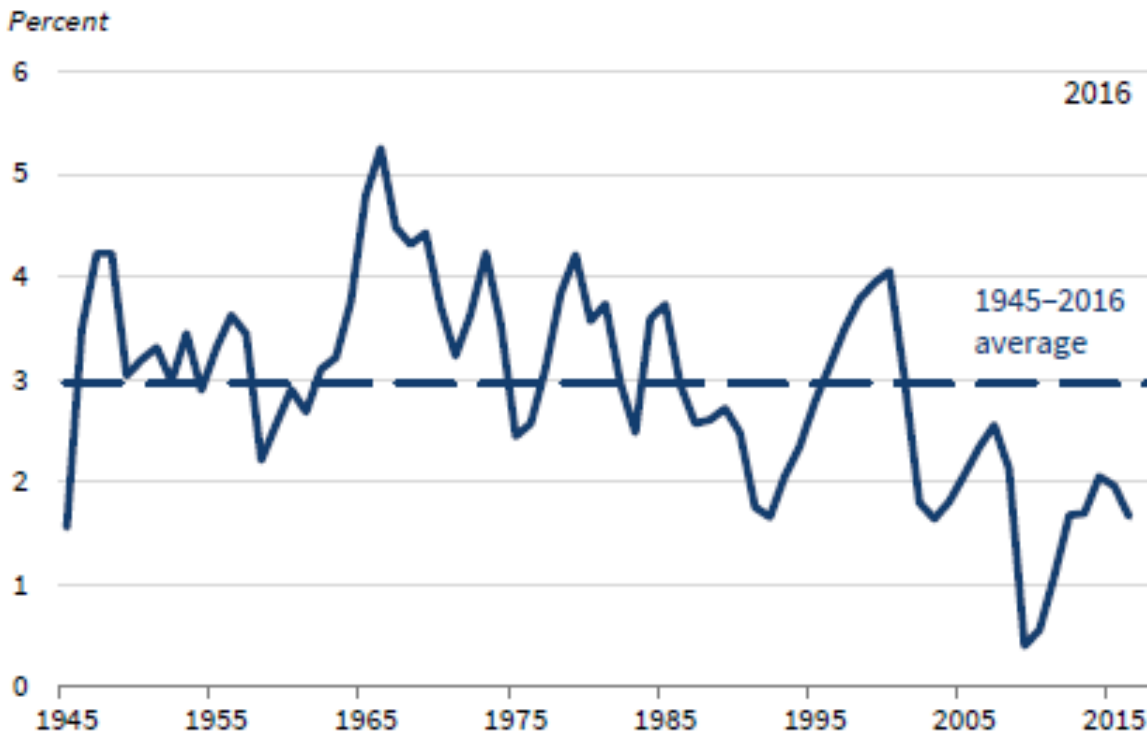
14 Sam Carliner: Protests Erupt in Puerto Rico to Fight a Worsening Energy Crisis, Left Voice, October 17, 2021, <https://www.leftvoice.org/protests-erupt-in-puerto-rico-to-fight-a-worsening-energy-crisis/>

15 Amanda Lee: China's power crisis

16 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 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

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

Figure 8-10. Net Investment as a Share of the Capital Stock, Private Nonresidential, 1945-2016



Sources: Bureau of Economic Analysis, Fixed Assets Accounts tables 1.1, 1.3, and 1.5; CEA calculations.

Note: Net nominal investment as share of the current-cost capital stock.

Table 1. General Government Debt, 2016 to 2021 (Percent of GDP) ²⁷

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

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>

17 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>

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

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

20 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/>.

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

22 Ibid

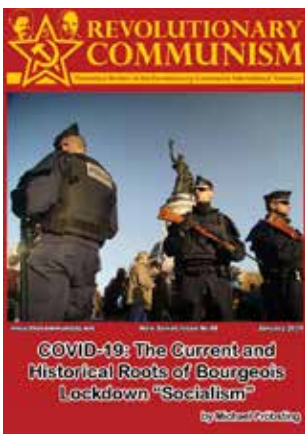
23 See e.g. Thomas J. Duesterberg, Donald A. Norman: Why Is Capital Investment Consistently Weak in the 21st Century U.S. Economy, The Aspen Institute, April 2014, pp. 4-7; Oren Cass: We're Just Speculating Here... The Rise of Wall Street and the Fall of American Investment, 25 March 2021, <https://americancompass.org/essays/speculating-wall-street-investment/>

24 Economic Report of the President, February 2018, Washington, p. 399

25 The Economist: Fossil fuels. Can't live without them. Yet, 9 October 2021, p. 71

26 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>

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



Publications of the RCIT

COVID-19: The Current and Historical Roots of Bourgeois Lockdown "Socialism"

Police State, Universal Basic Income & a new version of "War Socialism" of 1914

By Michael Pröbsting, January 2021

Introduction * 1. An Overview of the Policy of the Lockdown Left * 2. A Marxist Critique of Lockdownism and Universal Basic Income * 3. The Bourgeois Ideology of the "Caring State" (The Capitalist Handout State) * 4. The Objective Basis for Lockdown Socialism: Changes within the Political and Economic Physiognomy of Capitalism * 5. A Historical Analogy: The Mobilization of the Imperialist State for World War I * 6. War Socialism in 1914: The Social-Chauvinist Lensch-Cunow-Haenisch Group in German Social Democracy * 7. Lenin and other Marxists Declare War on War Socialism * 8. The Lockdown Left: A Worthy Successor of Social-Chauvinist War Socialists * 9. Once Again, the State Question: Marxism versus the Opportunist Left

A RCIT Pamphlet, 32 pages, A4 Format

28 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/>

29 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/>

30 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, <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 War-mongering! 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 Pröbsting: “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/](https://www.thecommunists.net/theory/china-russia-as-imperialist-powers/); 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/>.

31 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 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, <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/reference-workentry/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/>.

Books of the RCIT

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

In *Anti-Imperialism in the Age of Great Power Rivalry* Michael Pröbsting analyses the accelerating rivalry between the imperialist Great Powers – the U.S., China, EU, Russia, and Japan. He shows that the diplomatic rows, sanctions, trade wars, and military tensions between these Great Powers are not accidental or caused by a mad man in the White House. They are rather rooted in the fundamental contradictions of the capitalist system. This rivalry is a key feature of the current historic period and could, ultimately, result in major wars between these Great Powers.

Anti-Imperialism in the Age of Great Power Rivalry demonstrates the validity of the Marxist analysis of modern imperialism. Using comprehensive material (including 61 Tables and Figures), Michael Pröbsting elaborates that a correct understanding of the rise of China and Russia as new Great Powers is crucial for assessing the character of the current inter-imperialist rivalry.

In *Anti-Imperialism in the Age of Great Power Rivalry* Michael Pröbsting critically discusses the analysis of modern imperialism by a number of left-wing parties (left social democrats, Stalinists, Trotskyists and others). He demon-

strates that most of these organizations fail to understand the nature of the Great Power rivalry and, consequently, are not able to take an internationalist and revolutionary stance.

The author elaborates the approach of leading Marxist figures like Lenin, Trotsky and Luxemburg to the problems of Great Power rivalry and imperialist aggression against oppressed peoples. He outlines a Marxist program for the current period which is essential for anyone who wants to change the world and bring about a socialist future.

The book contains an introduction and 29 chapters plus an appendix (412 pages) and includes 61 figures and tables. The author of the book is Michael Pröbsting who serves as the International Secretary of the RCIT.

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



By Michael Pröbsting

Published by the Revolutionary Communist International of Workers

32 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 Pröbsting: *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 Obreiro (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/>

33 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>

34 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

Books of the RCIT

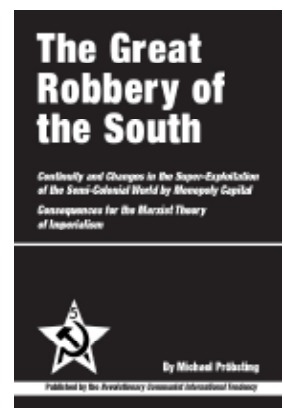
Michael Pröbsting: *The Great Robbery of the South* Continuity and Changes in the Super-Exploitation of the Semi-Colonial World by Monopoly Capital. Consequences for the Marxist Theory of Imperialism

The RCIT is proud to announce the publication of a book called *THE GREAT ROBBERY OF THE SOUTH*. The book's subtitle is: *Continuity and Changes in the Super-Exploitation of the Semi-Colonial World by Monopoly Capital*. Consequences for the Marxist Theory of Imperialism. The book is in English-language. It has 15 chapters, 448 pages and includes 139 Tables and Figures. The author of the book is *Michael Pröbsting* who is the International Secretary of the RCIT.

In *The Great Robbery of the South* Michael Pröbsting analyses the super-exploitation and oppression of the semi-colonial world (often referred to as the "Third World") by the imperialist powers and monopolies. He shows that the relationship between the small minority of rich capitalist countries and the huge majority of mankind living in the semi-colonial world forms one of the most important elements of the imperialist world system we are living in. The *Great Robbery of the South* shows that the past decades have been a complete confirmation of the validity of Lenin's theory of imperialism and its programmatic conclusions. *The Great Robbery of the South* demonstrates the important changes in the relationship between the imperialist and the semi-colonial countries. Using comprehensive material (including 139 Tables and Figures), Michael Pröbsting elaborates that never before

has such a big share of the world capitalist value been produced in the South. Never before have the imperialist monopolies been so dependent on the super-exploitation of the semi-colonial world. Never before has migrant labor from the semi-colonial world played such a significant role for the capitalist value production in the imperialist countries. Never before has the huge majority of the world working class lived in the South – outside of the old imperialist metropolises.

In *The Great Robbery of the South* Michael Pröbsting argues that a correct understanding of the nature of imperialism as well as of the program of permanent revolution which includes the tactics of consistent anti-imperialism is essential for anyone who wants to change the world and bring about a socialist future. Order your copy NOW! \$20 / £13 / €15 plus p+p (21\$ for US and international, £9 for UK, €10 for Europe)



What the RCIT Stands for

The *Revolutionary Communist International Tendency* (RCIT) is a fighting organisation for the liberation of the working class and all oppressed. It has national sections in various countries. The working class is the class of all those (and their families) who are forced to sell their labour power as wage earners to the capitalists. The RCIT stands on the theory and practice of the revolutionary workers' movement associated with the names of Marx, Engels, Lenin and Trotsky.

Capitalism endangers our lives and the future of humanity. Unemployment, war, environmental disasters, hunger, exploitation, are part of everyday life under capitalism as are the national oppression of migrants and nations and the oppression of women, young people and homosexuals. Therefore, we want to eliminate capitalism.

The liberation of the working class and all oppressed is possible only in a classless society without exploitation and oppression. Such a society can only be established internationally.

Therefore, the RCIT is fighting for a socialist revolution at home and around the world.

This revolution must be carried out and led by the working class, for she is the only class that has nothing to lose but their chains.

The revolution can not proceed peacefully because never before has a ruling class voluntarily surrendered their power. The road to liberation includes necessarily the armed rebellion and civil war against the capitalists.

The RCIT is fighting for the establishment of workers' and peasant republics, where the oppressed organize themselves in rank and file meetings in factories, neighbourhoods and schools – in councils. These councils elect and control the government and all other authorities and can always replace them.

Real socialism and communism has nothing to do with the so-called "real existing socialism" in the Soviet Union, China, Cuba or Eastern Europe. In these countries, a bureaucracy dominated and oppressed the proletariat.

The RCIT supports all efforts to improve the living conditions of workers and the oppressed. We combine this with a perspective of the overthrow of capitalism.

We work inside the trade unions and advocate class struggle, socialism and workers' democracy. But trade unions and social democracy are controlled by a bureaucracy. This bureaucracy is a layer which is connected with the state and capital via jobs and privileges. It is far from the interests and

living circumstances of the members. This bureaucracy's basis rests mainly on the top, privileged layers of the working class - the workers' aristocracy. The struggle for the liberation of the working class must be based on the broad mass of the proletariat rather than their upper strata.

The RCIT strives for unity in action with other organizations. However, we are aware that the policy of social democracy and the pseudo-revolutionary groups is dangerous and they ultimately represent an obstacle to the emancipation of the working class.

We fight for the expropriation of the big land owners as well as for the nationalisation of the land and its distribution to the poor and landless peasants. We fight for the independent organisation of the rural workers.

We support national liberation movements against oppression. We also support the anti-imperialist struggles of oppressed peoples against the great powers. Within these movements we advocate a revolutionary leadership as an alternative to nationalist or reformist forces.

In a war between imperialist states (e.g. U.S., China, EU, Russia, Japan) we take a revolutionary defeatist position, i.e. we don't support neither side and advocate the transformation of the war into a civil war against the ruling class. In a war between an imperialist power (or its stooge) and a semi-colonial country we stand for the defeat of the former and the victory of the oppressed country.

The struggle against national and social oppression (women, youth, sexual minorities etc.) must be led by the working class. We fight for revolutionary movements of the oppressed (women, youth, migrants etc.) based on the working class. We oppose the leadership of petty-bourgeois forces (feminism, nationalism, Islamism etc.) and strive to replace them by a revolutionary communist leadership.

Only with a revolutionary party fighting as its leadership can the working class win. The construction of such a party and the conduct of a successful revolution as it was demonstrated by the Bolsheviks under Lenin and Trotsky in Russia are a model for the revolutionary parties and revolutions also in the 21 Century.

For new, revolutionary workers' parties in all countries! For a 5th Workers International on a revolutionary program! Join the RCIT!

No future without socialism!

No socialism without a revolution!

No revolution without a revolutionary party!

