

Germany's biggest weekly magazine asks: "Was Marx right after all?"

Ben Curry. 10 January 2023

In Defence of Marxism.

<http://www.marxist.com/germany-s-biggest-weekly-magazine-asks-was-marx-right-after-all.htm>



This year's New Year edition of *Der Spiegel* features an interesting piece titled, "Was Marx right after all?" Full of astute observations about the state of capitalism, it's a piece symptomatic of the anxiety of the ruling class. But the 'solutions' it proposes – reactionary and utopian ideas based on keeping capitalism intact, like 'degrowth' and Keynesianism – are really no solutions at all.

"Was Marx right after all?" This is the question that Germany's most widely read weekly magazine asks on the cover of its New Year edition. Fear seems to have gripped the editorial office of *Der Spiegel*. Something is very wrong with capitalism.

As they themselves explain, this fear is widely shared within the ruling class. The article quotes Ray Dalio, a hedge fund manager worth \$22bn, who believes "capitalism urgently needs to be fundamentally reformed. Otherwise it will perish, and deservedly so." The *Financial Times* is equally alarmed. Goldman Sachs and Bosch are cited among the corporate giants questioning the resilience of the market in the face of looming catastrophe.

"It says a lot about the state of the world when proven super-capitalists suddenly sound like fans of Karl Marx... In many places, a big, fundamental question is being asked, in governments and corporate headquarters, by intellectual pioneers and pragmatists: Can we continue with this economic order?"

Can capitalism survive? That such an existential question is being asked by the serious capitalist analysts themselves is extremely significant. They have lost faith in their own system and in their right to rule. *Der Spiegel* turns to those readers who are yet to grasp the urgency of the situation. Capitalism is not experiencing a ‘normal’ crisis, *Der Spiegel* explains. The world of 2023 is one of ‘polycrisis’:

“[Criticism] of capitalism is nothing new. But in the beginning of year four of the pandemic and in year two of the Ukraine war, it is noticeably gaining momentum. Too many things no longer work: globalisation is crumbling and with it the German model of prosperity. The world is entrenched into hostile blocs. Inflation is causing rich and poor to drift further apart. Almost all climate targets have been missed. And politicians can no longer keep up patching all the new cracks appearing in the system...”

“One huge problem follows another and they are all interconnected. Energy crisis, trade war, looming world war. Democracy is under attack from populists and autocrats.

“Until recently, there would have been one solution to all these problems: the market would take care of itself. But who still seriously believes that today? Especially given the major multiplier of all upheavals, the climate crisis.”

Had we opened this article with this quote, you might have been forgiven for thinking that these are the words of a Marxist. But no: these are the words of a foremost mouthpiece of German capital. All of these crises are feeding into one another, and they add up to a mass-scale crisis of confidence in capitalism and its institutions. Among under-30s, *Der Spiegel* identifies the dominant mood as one of “frustration, resignation, anger. And a newfound love for socialist ideas.”

“For years, a palpable anger against capitalism has been spreading in the industrialised countries: not for ideological reasons, but because rents are exploding, because property has become unaffordable. Why accept a resource-guzzling prosperity machine when it no longer produces prosperity for all?”

According to one poll cited in the article, 49 percent of 18-29 year olds in the US have a positive opinion of socialism. Meanwhile, the magazine’s own poll finds that almost half of Germans are of the opinion that capitalism has led the world into the climate crisis. Even the most zealous apologist for capitalism cannot deny this simple fact.

Something has to be done. “It sounds like we need a *Zeitenwende*,” jests the author, repeating Chancellor Scholtz’s greatly overused expression: *Zeitenwende*, referring to a point of inflexion in the world situation, and thus also in the policy of German capitalism. Today, use of the word ‘*Zeitenwende*’ will make the eyes of most readers of the German press glaze over, for it has become the main theme, repeated day-in and day-out, by the whole ruling class. “We are in a more dangerous, multipolar world, a world of ‘polycrisis’,” the German bosses say. “A turning point has been reached. The situation demands a strong Germany, backed by a strong military.” This is how the German ruling class are meeting the ‘polycrisis’: with austerity and militarism; by preparing for war between the nations and between classes.

But our authors have a pious wish for a different kind of *Zeitenwende* – one that involves “developing a gentler capitalism. More just. More sustainable.” The authors, as the astute representatives of capital are often capable, have correctly identified the *symptoms* of the problem. Yes, if only capitalism was “gentler”, “more just”, “sustainable”, then their system wouldn’t be in this mess. But it is none of these things and can never be. Precisely when it comes to the *cause* and the *solution* of the problem, our authors’ perspicacity reaches its end. They are left grasping at straws like a drowning man.

The state to the rescue?

Der Spiegel puts the question out to all and sundry: how might we get to this “gentler capitalism”? It concludes, predictably, that we need a rehash of Keynesianism – more state intervention in the market; more regulation; more “guided subsidies”.

The academic ‘experts’ that *Der Spiegel* calls upon find it curious that governments could dole out endless cash to bail out the banks in 2008, or during the pandemic. Why not use the same state measures to ‘force’ entire industrial sectors to be greener and more socially responsible? Why, *Der Spiegel* asks, can we not introduce “state subsidies conditional on companies reducing their emissions”?

It is a strange logic. The capitalist class, driven solely by the profit motive, cannot solve climate change (or any of the other social crises comprising the ‘polycrisis’) – so why not shovel trillions of dollars their way as an incentive? Why not shovel *more cash* into the clutches of these insatiable blood suckers who are responsible for these crises?

This is hardly a revolutionary idea. Indeed, it constitutes the central plank of present policy just across the Atlantic. We need only take a look at Biden’s (grossly misnamed) Inflation Reduction Act 2022 (IRA). Its thrust is precisely conditional subsidies to ‘induce’ the capitalists to behave a certain way: to develop green industry, and to reshore industry to the USA. That the state must resort to ever more massive subsidies is in itself a damning indictment of the parasitism of the capitalist class and the failure of the market.

But such Keynesian measures will only aggravate the problem. Biden’s IRA is already provoking yelps of anguish from European governments, who foresee the deindustrialisation of their continent. It is feeding protectionism. Despite the Act’s name and its putative aim, the net cost of the reshoring of industry on top of the hundreds of billions of dollars of subsidies will only fuel inflation. Thus, this ‘free lunch’ for the capitalists will be paid for down the line with the erosion of workers’ wages.

And finally, what the Keynesians fail to appreciate is that, as Marx long ago explained, the fundamental cause of the crisis of capitalism is not a lack of demand that the state must plug, but overproduction. This, *Der Spiegel’s* journalists fail to grasp. The state can subsidise the capitalist class all it likes, but when the market is already saturated, new productive capacity can only exacerbate overproduction. And without new, lucrative markets, the capitalist class seek profits through other means – by an orgy of speculation, as our authors note:

“[In] 2022, US companies alone announced that they would invest around one trillion dollars in share buybacks instead of investing in new, even sustainable products.”

“That’s crazy,” *Der Spiegel’s* academic expert exclaims. This craziness is a morbid symptom of a dying system. Capitalism is in a rut. The post-pandemic recovery is over and a new slump looms. A third of the world is expected to enter recession this year, with the main engines of the world economy, the US, EU and China, all stalling at once. *Der Spiegel’s* authors are lucidly aware that this isn’t a short term trend, but the bleak picture of things extending into the indefinite future. Indeed, they go so far as to predict that “economic growth will end in the West in the foreseeable future”.

And this growth, the authors note, was a very *good* thing for capitalism in yesteryear. In fact, this growth is the condition *sine qua non* for the continued existence of any social system. As Marx explained, as long as capitalist relations developed the productive forces, their existence was historically justified. But once they become unable to do so, then “from forms of development of the productive forces these relations turn into their fetters. Then begins an epoch of social revolution.”

In the face of this daunting fact, the editors of *Der Spiegel* now turn to grasp at their final, flimsiest straw: the consoling idea that maybe a lack of growth is actually a very *good* thing! In the face of an ecological catastrophe, maybe we ought to look optimistically towards a future where we consume less; an epoch of ‘post-growth’, or ‘degrowth’ to give it its trendy academic name.

The article cites proponents of this worldview spanning the political spectrum, including the Japanese academic, author of *Capital in the Anthropocene*, and self-styled Marxist Kohei Saito; a Fridays for Future activist... and the Neo-Malthusian ‘Club of Rome’ and many right-wing economists. The comfort that bourgeois journals like *Der Spiegel* are capable of taking from these ideas of ‘degrowth’ should give its ‘left’ advocates cause for reflection.

How *Der Spiegel* takes comfort from ‘degrowth’

The idea behind ‘degrowth’ theories is really very simple. Capitalism is based upon constant economic growth. But our natural world, the mother of all wealth, is only finite. We cannot continue along an infinite trajectory of growth without inevitably degrading our environment. We must choose ‘degrowth’.

But the very way that the question is posed – do we choose ‘growth’ or ‘degrowth’? – is absurd. Economic growth under capitalism is not something simply and directly commanded by politicians or even by

individual capitalists. The advocates of degrowth often claim that growth is the result of a bad idea, a 'principle of growth' that has inexplicably taken hold on the minds of capitalists.

And *Der Spiegel* is hopeful that other ideas might make headway in the minds of the captains of industry, citing the joint statement of the 'Business Roundtable' of 200 US companies, which three years ago pledged to serve "all stakeholders": customers, employees and business partners, not just shareholders.

We may admire the fine intentions behind the words of CEOs and boards of directors about protecting the interests of 'all stakeholders', but they are all ultimately bound by an iron logic, which underpins capitalism: the profit motive.

Growth under capitalism is not *willed* into existence. It is the blind resultant product of many capitals pursuing their own interests, and it takes the form of capital accumulation. This is the *real* driving force of 'growth' in the capitalist economy.

Capital accumulation, as Marx long ago explained, takes place when the capitalist invests part of the surplus value that they extract from the working class in new capital as machinery and labour power. Every capitalist must strive to accumulate capital, on the pain of extinction. By constantly revolutionising production, the capitalists maintain a competitive advantage, they produce more cheaply, grabbing their competitor's market share. Where they fail to do so, others will succeed and gobble up their market share. This requires a constantly increasing outlay of capital, and thus an ever-greater accumulation of capital.

Yet the strange fact is that the natural working of modern capitalism is not leading to significant growth. As this article explains, the general tendency of capitalism is towards contraction, slump and decline – *degrowth*, if you will.

Hallelujah! Surely this is a victory for the advocates of degrowth?

In fact, this is a reflection of neither a bad or good policy on the part of politicians or businessmen, but of the historic impasse of capitalism; of the monstrous parasitism of today's capitalist class, who cannot develop the productive forces as they once did. Degrowth theories (perhaps inadvertently) come to the aid of the ruling class by making a virtue of this necessity.

As for the capitalists themselves, they are serious people. They will not sit idly by, wishing pious wishes, as their balance sheet registers a period of 'degrowth' in profits. They will do everything they can to keep profits up... at the expense of the consumption of the working class.

"If the majority of a population decides to reduce its ecological footprint by consuming fewer material goods and focusing more on leisure and services, there is absolutely nothing wrong with acting on this decision from an economic point of view," one 'expert' tells *Der Spiegel*, although he also warns that "during a transitional period one has to live with the consequences, ranging from rising unemployment to falling incomes."

There's the rub. We can reduce our ecological footprint, but the working class will have to consume less and put up with higher unemployment and lower incomes. Marxists, meanwhile, fight tooth and nail to defend what little the workers have to consume in wages, against the attempts of the capitalists to restore profits at their expense. All the while, we point towards the need to overthrow this system.

The left advocates of degrowth may object that by 'degrowth' they do not at all mean the constriction of the consumption of the working class, but only degrowth of specific, harmful industries and practices. If what is favoured is even an *increase* in what the working class consumes and a *growth* in ecologically sustainable industry, then all this talk of degrowth only serves to mask and confuse what is really meant. Under a confused banner like this, the bourgeoisie can find space for its own brand of 'degrowth', with its whiff of Malthusianism.

For a socialist planned economy

An existential crisis is raging across our planet. If we object to the ideas of degrowth, it is not because we take this crisis less seriously, but because this is too serious a matter to delude ourselves with false notions.

In fact, whilst capital accumulation involves the wholesale destruction of nature and a headlong descent into climate catastrophe, economic contraction under capitalism by no means implies the opposite. Just look around the world in 2023. As capitalism's decline intensifies national competition, fueling wars and an energy crisis, how are the major powers responding? By grasping at the most readily available (and dirtiest) energy sources. King Coal is back.

According to Reuters: the USA, Greece, Denmark, Spain, North Macedonia, Germany, Finland and the UK all plan to resume operations in coal-fired power plants that had either been decommissioned or were due to be decommissioned. Austria intends to convert certain gas power plants to burn coal. Italy and the Netherlands intend to increase output from existing coal and oil power stations. China intends to open new coal powered plants to the tune of 8.3 gigawatts. Poland and Serbia intend to boost coal mining production. Botswana, South Africa, Tanzania, Australia and Colombia are all reporting skyrocketing coal exports. All of this as we head into a recession!

This is the natural outcome of capitalist anarchy, where each gang of national capitalists competes against each other gang of national capitalists for resources and markets. Instead, to really begin tackling climate change, we must expropriate all of the monopolies under a socialist plan of production. Then we could repurpose environmentally damaging industries almost overnight. We could bring the entire resources of society to bear on the problem of a 100 percent transition to green, renewable energy sources at breakneck speed. And we could do so whilst *increasing* the number of gigawatts of energy produced. On the basis of a rational plan of agriculture, the most advanced technology could be uniformly applied to enormously *increase* food production, whilst decreasing emissions, as well as water, energy and land usage, freeing up enormous tracts for rewilding.

One young activist explains to *Der Spiegel* that instead of an economy oriented towards 'growth', we need an "economy oriented toward the common good." We agree with the latter point, but the opposite of an 'economy oriented toward the common good' is not 'growth'. The real dichotomy is between capitalist anarchy, or socialist planning.