

## 'TAKING CONTROL' or WORKERS CONTROL?

Britain has voted to Leave Europe. Taking control became the key slogan. It implied two things, taking control of British democracy and taking control of immigration. Of course the genteel supporters of Brexit will object to accusations that of the two, immigration was the more popular. To this we can only say "they doth object too much". In the end it was Brexit's "migration stupid" and not the Remain "the economy stupid" wot swung it.

Immigration controls is not merely fool's gold; it is the equivalent of leprosy in the working class. However, it would be politically wrong to condemn immigration controls without putting forward a working class alternative to these controls. Migrant labour has had a profound effect on sections of the working class. Such an alternative can only emerge from an anti-capitalist perspective. We need to address the cause of immigration, this restless and desperate trans-national search for work and through it, a better life.

There is a single cause to involuntary migrations - the lack of jobs caused by the absence of investment by the international capitalist class. The capitalist class is sitting on a vast pile of unspent capital that is suffocating the world economy. Latest figures suggest there is \$15.3 trillion sitting idle on the balance sheets of the global corporations. Then there is the \$21-32 trillion hiding in tax havens most of which will not be productively invested. Finally, the \$13 trillion sitting idle in US banks expands to a figure closer to \$30 billion when looking at the world banking system.

In the language of the working class, this figure of around \$50 trillion chasing its own speculative tail amounts to the **loss** of at least 250 million jobs. This compares to the global unemployment figure of 250 million compiled by the International Labour Organisation. It follows that if this idle capital had been productively invested, unemployment would be wiped out and the world would be a much more prosperous and fairer place.

The vital question that is posed is this: do immigration controls increase the rate of investment? If they did, then every worker would have an interest in supporting them. But if they do the opposite, they decrease investment, then these controls should be discarded as fool's gold.

Capitalist production is production for profit not for use. Investment is a function of the rate of profit. When the rate of profit is rising it sucks in investment and when it is falling it repels investment. If immigration controls raise profitability that would create more jobs, but if it depresses profitability it would reduce jobs. So which way round is it; does immigration increase profits or reduce profits?

The answer is clear. Immigration increases competition in the labour market which reduces wages thereby increasing profits. On the other hand, anything which reduces competition in the labour market by reducing the supply of workers weakens the hand of the bosses. Hence curbing the supply of labour would increase wages at the expense of profits. So while wages may go up, the number of jobs will go down as profits fall, and when they go down so will future wages. In the end workers will end up with fewer jobs and the same low wages.

The leaders who supported BREXIT are capitalists to the core. They are not opposed to immigration, only the unregulated immigration from the EU. They do not want a labour shortage in the UK which will drive up wages. They want a managed labour surplus. This is what taking control of "our borders" means and that is why they are fumbling the immigration question now that the referendum is over.

What will happen when the opportunity for work does not expand for British workers despite immigration controls? In the absence of a working class alternative, the call will grow for more controls

and more deportations. Today's controls will be seen to be inadequate and the right wing parties - like addicts - will be baying for more and more. It is a slippery slope that turns xenophobia into outright racism, that turns neighbour against neighbour, that leads to identity cards, to police road blocks, to spot checks and raids. It leads to pogroms.

Here the analogy between a quack treating *symptoms* and a doctor treating *causes* becomes real. Suppressing symptoms does not treat the condition. The underlying condition continues to deteriorate and the patient gets sicker and sicker. The treatment has to get stronger, pain killers give way to steroids, steroids give way to chemotherapy. In the end nothing works and the patient becomes morbid. This is the reality of immigration control, quack treatment administered by those who do not have the interest of the patient at heart. We must ensure that frauds like Farage and Johnson are struck off the political register for good. Of one thing we can be sure, the fact that immigration controls do not work is going to be a brutal and painful lesson for workers in the future.

### **THE WORKERS' RESPONSE TO MASS MIGRATION.**

Our slogan is: *if the capitalists will not invest, then their idle capital will be progressively confiscated in the interest of society.*

1. For an annual 20% tax on all idle capital.
2. For the proceeds of this annual tax to be paid into an international investment bank with regional departments.
3. For the board of this bank to be elected. No director can sit on the board for more than three years without re-election. For the majority of directors to be appointed by the trade union movement now forced to co-operate internationally. For the directors' pay to be no more than double the average wage found in the developed capitalist economies. For gender and regional balances and for all skill levels to be represented.
4. For a uniform 40% corporate tax across the world and a proportionate reduction in sales tax.
5. For investment to be directed at expanding production for use rather than profit, directed by the need to continuously cheapen production without quality impairment or environmental damage. This will avoid the accusation that investment will be wasted and misdirected.
6. The new plants this investment brings forth need to be managed by an elected works committee with worker delegates in the majority, with all sexes and skills represented proportionately.

Any surge in investment will be met by the subsiding of migration. These demands are the transitional demands that link today's fight to the fight for socialism. The material basis for the competition between workers is their separation from the means of production and the land by the capitalist class. This disempowers the working class and makes them dependent on the capitalist class. In this manner three billion workers are controlled by one and a half million capitalist individuals and families together with their mercenaries both in and out of uniform.

While we oppose immigration controls, we do not advocate immigration. Our international duty is to help and to encourage workers to remain in their countries to fight for power. Just as a worker, who jumps from factory to factory looking for a better employer, does not end up unionising their factory, so workers jumping from country to country in search of a better life will not end up liberating their country of birth.

Capitalism is in decay. It is in intensive care, on a drip of quantitative easing, medicated with negative interest rates, nursed by a submissive working class now getting restless. All the while its breathing

grows shallower and the burden increases on the working class. It need not be this way. We have a world to win. It comes with an unavoidable condition, international working class unity and solidarity.

### **ANALYSIS OF THE VOTE.**

Much has been made of the lack of working class support for remain which is being used by the opportunists in the Labour Party to stab Corbyn in the back and turn the Labour Party into LAKIP. In fact, the reasons for the BREXIT victory are more nuanced.

1. The financial markets believed that the vote would favour Remain. Accordingly, they did not provide an economic shock before the elections to reinforce Project Fear. Instead it was delivered after the vote. The financial markets underestimated the level of disaffection in the working class. (See point 3)
2. Pensioner turnout was the highest of all demographics. The vast majority of pensioners, those most susceptible to the nostalgic view of Britain, voted to leave. Their reward will be the loss of the triple lock protecting their pensions as the recession forces benefit cuts beyond that of claimants.
3. A significant minority of those who voted Leave, did so as a protest, not expecting the Leave side to win. This is at least 7% of those who voted and it was this factor that confounded the polls. On such accidental events is history made. The world economy barely afloat could be sunk by BREXIT and all because 2 million EU supporters registered a contrary vote to punish the establishment.
4. Scottish tactical voting. The turnout in Scotland was relatively low compared to the rest of Britain and to the first Scottish referendum. Many Scottish voters withheld their votes in the expectation that Leave would win, thus triggering a second Scottish referendum.
5. No section of the Remain camp consistently argued that it was the City of London rather than Brussels which was to blame for the miserable conditions facing most sections of the working class.

Taking all this into account, the level of working class support for BREXIT is overestimated. This does not alter the consequences. The slow motion crash that is the world economy has now received a decisive political impulse and markets are registering this shock. Strategically, this is not about one country's exit from a single market. It is about a political trend: the growing nationalistic opposition to globalisation. It represents a loss of control for capital.

The central contradiction facing capitalism is that while profits are globalised, investment is not. If this contradiction is to be resolved in the interest of capital, then capitalism requires the movement to single markets across the globe so that regulations can be harmonised and tariffs eliminated. This is what TTIP and TTP point to. Only through the merging of markets can investment become truly global. However, the political tide is now flowing strongly against this economic imperative.

This is a classic case of history repeating itself first as tragedy and secondly as farce (Marx). Nationalism in the age of globalisation is a farcical relic but this does not render it less dangerous. It is the greed of the capitalist class that gave rise to this surge in nationalism, but it is our duty to ensure the rise in nationalism does not go beyond farce.