

Mutiny

Tighten Your Belts and Forward March!

As the stock markets veer towards collapse, so does military rivalry flare up across the world. With the bloody war in Ukraine, the military standoffs in the air and seas around Taiwan, and a new wave of conflicts between regional powers, the imperialist actors are descending into bloody barbarism and toying with threats of nuclear warfare.

These competitive maneuvers on the geopolitical stage are expressions of the total crisis of capitalism. The main lines of imperialist conflict follow the real struggle for economic power and position.

The imperialist powers are becoming more desperate and are being flung into intensifying confrontations. Control over the main arteries of trade and strategic military positions (the Taiwan straits, straits of Hormuz, South China sea, Arctic sea, etc.) are now faultlines ready to erupt in imperialist war. The United States commands a chain of islands from Japan through Taiwan on, barring China militarily from the open seas and cutting off crucial world trade routes in the case of war. The United States knows Taiwan is the weakest link in this chain and has been escalating its rhetoric and military presence. From Biden openly saying they will defend Taiwan, Pelosi's visit to tout democracy, to American and Canadian warships sailing through the straits, the United States is showing they are willing to go all in.

On their end of this imperialist rivalry, China's Belt and Road Initiative seeks to tie world resource extraction to Chinese manufacturing. The initiative is tied to the long-term Chinese aim of supplanting American-led institutions as the global pole of world finance and production. The United States and Europe have long recognized this as a threat to their grip on the world economy. They are responding with mass exports of capital, including a G7 plan to invest \$600bn in Africa to entrench their political and economic domination.

The American-led post-war financial order is under attack. Just earlier this year, China offered the Saudi government to trade oil in the Yuan, which would replace the longstanding deal to sell Saudi oil exclusively in the U.S. Dollar. The overwhelming use of the Dollar in trade and foreign exchange is a pillar of American power in the Middle East and across the world. No doubt the U.S. will do everything to maintain its grip on the neck of world trade.

Today's horrendous war in Ukraine is the most stark expression of imperialism. While Western pundits describe Putin as an irrational madman, his lunacy is the real product of the crisis of imperialist capitalism. Russia is terrified of attacks on both the military and economic fronts, from the vulnerability of the Eurasian Steppes to NATO tanks to the expansion of the Eurozone into Ukraine. Ukraine has been a fundamental component to Russian capital since the time of the Tsars. If

Russia can't reconquer the East's manufacturing hubs, the country's vast agricultural production, and its critical gas infrastructure, it would no longer be able to compete against its far stronger Western rivals. Their invasion of Ukraine is the blood-soaked result of capitalist competition and crisis.

The war in Ukraine marks a new phase in the rivalry between the great capitalist powers. The "new world order" that emerged from the collapse of the Eastern Bloc, in which all major military and economic powers were (on paper) aligned with each other, has completely given way to the drive towards war. The tensions between Russia and NATO in Europe and between China and NATO in Asia can only escalate as the world economic situation makes each conflict all or nothing.

At the heart of the inter-imperialist economic and political struggle is the current crisis of capital. Each state is scrambling all available resources to avoid the looming recession. Global stock markets are on the downturn, while inflation, everywhere attacking the working class's living standards, threatens capitalist economic reproduction. The yearly rate of inflation in the United States stands at 8.3% and at 7% in Canada. Though gas prices are lowering, overall inflation rises. Major corporations such as Fedex are reporting declining operations and lowered demand in the midst of economic uncertainty, showing to what extent the "post-covid recovery" was a mirage, carrying with it the seed of capitalist crisis now sprouting.

In response, the vast majority of bourgeois states are rapidly increasing their interest rates at three quarters of a percentage at a time. Led by Jay Powell's Federal Reserve, there are 25 central banks increasing their interest rates to every one central bank decreasing theirs. By increasing the price of loans, they hope to slow down the rate of economic activity, thereby lowering overall demand and thus prices.

However, the current economic situation is not one of global growth at a breakneck speed. The economy is at a standstill, coming off a production crisis sparked by the Covid-19 pandemic. In fact, the so-called real economy was stuck with low profit rates entering into the pandemic, barely propped up by financial policies established during the 2008 crisis. Kept on life support through quantitative easing and corporate stock buybacks, the economy was already trending towards another expression of its chronic crisis.

The crisis we are facing in full force today was provoked by the lockdowns of major sectors of the economy, limiting production. While the productive sector faced a serious decline in output, scrambling global supply chains tightened by "just-in-time" logistical tactics, capital moved towards speculative financial and real estate investments as a means to recoup its losses and maintain

profitability. Speculative activity took up a massive portion of so-called "growth;" the housing sector constituted 43% of Canadian GDP growth in the first quarter of 2022. Meanwhile, countless corporations tied to the "real economy" continued operation throughout the pandemic with negative profit rates, animated like a puppet by strong stock markets and low interest rates. It was only a matter of time before the struggles of the productive sector and its "zombie corporations" came home to roost for finance, provoking a generalized crisis for capital.

The crisis of capitalism and its resort to imperialism has been deepening since the end of the last cycle of accumulation in the 1970s, bringing an end to the so-called "golden age of capitalism." Since then, capitalism as a whole has skirted around the crisis with various means: central monetary policies, the movement of industry to cheap labour markets, the reorganization of production, and a generalized assault on the living conditions of workers. However, these measures only kicked the can down the road and elevated the depths of the crisis. The development of capitalist production results in declining rates of profits, furthering the tendency towards crisis. Although they do not consciously realize it, the various imperialist powers are increasingly forced to resort to war as the sphere of economic competition tightens.

The post-WWII boom was made possible by the vast destruction of global capital during the war; this allowed the United States, spared from invasion, to emerge at the front of the imperialist pecking order. In 1945, it controlled no less than 48% of all global capital. Since then, the American position has been waning, starting with the re-emergence of Japan and Germany in the 1960's and escalating with the rise of China. While Germany and Japan have remained under the umbrella of American political and military power (and are increasingly rallying behind it), China has become a serious independent contender.

With the world's second largest economy, the largest population, and thriving industrial and technological sectors, China has the ability to supplant the United States as the chief global power. Backing up its increasing collection of ports in the Pacific and Indian oceans as part of its Belt and Road Initiative, China has mustered a naval force now capable of challenging the American Pacific fleet. Next to this, more and more nations containing vital resources are turning to Chinese economic influence. China's policies have resulted in a string of pearls of economic clout running through Asia into Africa and Europe. And now, to Washington's nightmares, China openly plans to challenge the American Dollar, the United States' most guarded pillar of power. Recognizing this threat, the United States is increasingly provoking

conflicts with its rivals to check their rise.

Facing its own deep crisis, the capitalist class has one message to the world working class: tighten your belts and forward march! Offloading their losses onto workers and imperialist rivalry are the two solutions to the crisis the ruling class has formulated.

Prior to the outbreak of the war in Ukraine, the bosses were engaged in a generalized assault against our class. As the lockdowns lifted and the social demand for labour returned, a new normalcy was introduced as the bosses were desperate to make up for their losses. Work was sped up, real wages declined, capital flooded into the housing market and rents soared, labour contracts were allowed to lapse, and strikes in key sectors were declared illegal under the guise of national unity, dutifully upheld by the unions.

In response to these worsening conditions, the working class took strike action across North America. Workers went on strike against long hours and chaotic scheduling at the Port of Montréal and the Frito-Lay plant in Kansas, while at the CPE daycare centers in Québec and the Casino de Montréal the workers fought against rapid rent increases and the increasing costs of groceries. In each of these struggles, the union played a role in their sabotage by diverting strike actions across multiple unions and by delaying strikes so that the bosses' state could easily shut them down.

The generalized assault the working class has faced in order to ensure profits will only escalate as capitalism enters into a total breakdown. As the financial flight into speculative assets reveals itself to be a dead end, capital will come face-to-face with its systemic problem of low profitability, made even worse by inflated production costs. Like with the Volcker crash of the 1970s, the rise in global central interest rates will provoke an even steeper recession as a means to get the economy back on track. One is hard pressed to find a single economist with an optimistic outlook for the coming year! The point of sparking the crash through high interest rates is to lower wages even further and increase unemployment: that is, to hit the working class even harder. Capital's only solution to its own logic is capitalist crisis.

With the intensification of imperialism and the coming crash, capital sheds any pretext of negotiation. As seen by the American rail workers and the British and Norwegian North Sea oil workers, no working class grievances can be allowed to stall the war effort for the bosses. All these strikes were declared illegal either implicitly or directly as a result of the states' gearing up for war. For the working class to take a side in this life or death struggle between NATO and Russia would be a complete capitulation of its independent class position as any domestic struggle will be taken as a

hindrance to the war effort. The working class must respond to the deepening crisis, the bosses’ attack on workers’ conditions, and the escalating imperialist conflict with its own independent struggle on a politicized basis. Learning from the various covid strikes, it is necessary for the working class to break out of union domination and to generalize its

struggles beyond sectors. Only in this manner can it actually fight effectively against its dire situation. This global situation of capitalism and the isolated economic struggle of workers during the pandemic reveal the necessity for the working class to constitute itself as a class through a world communist party. Today, the emergence of such a party seems far off. But to relegate

this task to a historical situation detached from the real struggles of the working class and the real work of revolutionaries today would be to sit on our hands and to fail to understand that the party is both a product and agent of class struggle. In response to this dire situation we are participating in the No War But the Class War initiative as a means for

revolutionaries to fight for the internationalist perspective inside our class. Through this initiative and our practical work, we hope to intervene in the real struggle in our localities and bring them to a political basis against the bosses and their war drives. Capitalism makes the choice clear! Revolution or war, communism or extinction.

Business as per Emergency Bill: Strike at ‘Achema’ Plant in Lithuania

On the 8th of February, 100 workers at the chemical plant complex ‘Achema’ in Jonava, Lithuania voted in favour of a strike to negotiate a collective agreement. The complex is one of the economic powerhouses of the Baltics, contributing to 3.4% of the country’s GDP. The strike marked a turning point in the Lithuanian class struggle, being the first in a private enterprise in the country’s post-Soviet period. Despite support from workers across the country and abroad, it was stopped dead in its tracks by the war in Ukraine. The federal government instituted wartime measures which effectively suspended all strike action. Amidst a globalised cost of living crisis, mass refusal to return to work, and the looming threat of generalised recession, the capitalist class uses all tools possible to preserve their dying order. The workers of ‘Achema’ demonstrate the continuation of class struggle following Stalinist carnage and how the interests of the working class are at odds with the demands of imperialist war.

The complex is located on the outskirts of Kaunas, Lithuania’s second largest city. ‘Achema’ was built shortly after World War II to produce nitrate fertilizer, a key product in European agriculture. Since then, it has evolved into a factory town, comprising multiple plants, schools, private healthcare clinics, and sports teams. Employing some 1,200 workers, a third of whom are union members, it has been a critical part of the Lithuanian economy. The complex also has gained notoriety as a particularly dangerous environment, being the site of repeat accidents since the 70s. 1989 saw the biggest disaster, caused by faulty construction of isothermal safety mechanisms. The malfunction caused an explosion which leaked nearly 7,500 tons of liquid ammonia in the form of a gigantic toxic cloud. The catastrophe claimed the lives of seven people, and left thousands injured. Despite (or perhaps because of) its myriad hazards, the plant has remained profitable following its privatization after the collapse of the Soviet Union.

‘Achema’ was thus somewhat unique among enterprises during the Soviet period and afterwards. Following liberalisation, it maintained its trade union from the Soviet era whereas many others were disbanded due to direct ties to the old Communist Party. The Achema Workers Trade Union (ADPS), boasted a variety of privileges

for workers, including private healthcare services, holidays abroad, as well as vacation guarantees. All these terms were ensured by periodically renewed collective agreements.

The success of the plant post-liberalisation painted it as a poster child of modern Lithuania. The owner of the plant’s parent company, Bronislovas Lubys, was a former engineer at the complex. He was seen by many as a “self-made man” who put workers first while guaranteeing profits for shareholders. Like all fairy tales, magic turns to dust come midnight, or in this case, in 2019. Following Lubys’ death, the shareholders rejected renewing collective agreements for the first time in the plant’s history. The rejection of the agreement was compounded by the unforeseen economic hardships of the COVID-19 pandemic. Average wages at the complex shrunk between 2020 and 2022 whilst monthly energy prices increased to 28%, before the war in Ukraine caused the cost of living to skyrocket altogether.

The signs were clear that workers could not stand idly by and had to take matters into their own hands in the form of a strike. The core demand of the union, the ADPS, was to sign a new collective agreement. The main points were to index wages to the rate of inflation, as well as wage bonuses as windfalls of yearly profits. It also demanded an end to the pressuring of workers into doing illegal overtime hours to make up for labour shortages. Thus, strike action began on the 8th of February. Chief among strikers were electrical safety and equipment inspection workers. The strike drew widespread media attention, as well as support from the May 1st Trade Union (G1PS), the Lithuanian Confederation of Trade Unions (LPSK), and the Lithuanian Industry Trade Union Federation (LPPSF). It also drew international attention within the EU, seeing support from IndustriAllEurope, the European Public Services Union, as well as Union Syndicat Federale. Emboldened by the ‘Achema’ workers, the Vilnius Public Transport (VVT) workers voted to strike in response to the municipal government breaking a collective agreement from 2018. However not all ‘Achema’ workers were in favour of the union-led strike action. Interviews made it clear that there was a discrepancy between the union leadership and the workshop managers when it came to demanding wage increases, which attempted to sideline the genuine demands of workers. The uptick of and support for these strikes reveals general class militancy and the unions’ desperate attempt to keep it within the sphere of the capitalist state.

The plight of the ‘Achema’ workers is significant for Lithuania and for post-Soviet countries. Not only does it demonstrate the need for organised, independent action by the working class, but it also shows that Stalinist legacy could not extinguish the

potential for workers to take up action. The Lithuanian workers maintain a sense of agency and the will to exercise it in opposition to the demands of the ruling class. The strikes form a continuum of labour militancy in the greater region, going from the Russian Revolution and the famous 1962 Novochoerkassk Electro-Locomotive plant (NEVZ) strike. Then, just as now, workers were forced to produce more whilst their salaries came crashing down. As always, daring to refuse the demands of the ruling class, be it within the Politburo or elsewhere, carried mortal peril. The Soviet government mowed down the Novochoerkassk strikers leaving 26 dead buried in secret graves, 87 injured, and hundreds more arrested.

Elsewhere, the actions of dockworkers in Gdansk in the 70s proved that militancy cannot be contained by placation. Rebelling under similar conditions to the NEVZ, hundreds of workers took to the streets to strike against falling wages and increasing costs of living, refusing the call to de-escalation by the United Workers’ Party. The ensuing turmoil was brutally suppressed by the so-called People’s Army and Citizen’s Militia. The history of these disputes displays a lineage of worker militancy: ‘Achema’ is one of many points in a rich tapestry of class struggle.

Unlike the NEVZ strikers and the Gdansk dockworkers, the ‘Achema’ chemical plant workers were put down not by gunfire, but by the eruption of imperialism in Ukraine. Lithuania, being a close ally of the country, a member of NATO, and bordering the Russian exclave of Kaliningrad, declared the invasion a security threat. The president, Gitanas Nauseda, imposed a formal emergency decree, outlawing all strike action for an indefinite period. Worse still, the parent company of ‘Achema’ announced a series of layoffs targeting 5% of its labour pool, moved the union offices off-site, and suspended production until at least December, blaming increased energy prices. However, its clear that the layoffs were nothing but a transparent attack on militant workers. The Lithuanian parliament, (‘Seimas’) has announced an energy plan for the coming months which creates a

specialised energy reserve for the plant to resume production. The union representatives at ‘Achema’ said that strike action will resume once the decree is lifted, but all this does is postpone the struggle into the far-off future. The disappointment is also compounded by the new state budget. The pathetic promise of a 14% minimum wage increase for next year bodes ill for ‘Achema’ workers and many others who have been let down by dependence on the union. Contractual increases tied to increases in minimum wages, such as those of the new budget, are only ensured through a collective agreement, with employers having no legal responsibility to raise wages in the wake of a new budget plan otherwise. These outcomes demonstrate how reliance on unions can only take the workers as far as the bounds of the capitalist state.

As the war progresses, the intensity of the bosses’ attacks at the workers becomes more frequent and severe. Ukrainian courts have recently pushed through Law 2136 and Law 5371, enabling employers to bypass national labour laws entirely. The Ukrainian state makes it clear that even when workers are not marched off to the front, they remain disposable pawns for capital. Russian workers are also crushed under the same double conflict. A spontaneous strike broke out in June at the Ural Compressor Plant in Yekaterinburg, led by hundreds of workers over more than 20 million roubles in unpaid wages. The recent partial mobilisation and the size of post-sanction fossil fuel windfalls reaped by the Russian state spells urgent danger for workers on both sides of the conflict. The ‘Achema’ strike offers us a snapshot of the need for workers’ struggle by their own means and to oppose imperialist war on that basis. Only through action as a class and the formation of a new workers’ international enabling the overthrow of capitalism can workers be emancipated. As the war in Ukraine continues escalating into generalised imperialist conflict, this need becomes ever more pressing as the only antidote to the eternal conflict and necrotic march of capitalism.



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What Does Klasbatalo Fight For?

We fight for the political independence of the working class, which means we reject all cross-class alliances with the capitalist class, including its left-wing. We believe the working class must fight on its own terrain: first, to defend itself against the bosses’ attacks; and, second, to achieve its ultimate task, that of establishing the world communist future which will rid the planet of exploitation, oppression, and war. It is towards this goal that we fight for the creation of the world communist party, whose purpose is to clarify the confusions among the class and to unify it towards its ultimate end; we believe this party to be the most potent weapon of our class. While we are for the party, we do not believe ourselves to be the party, nor do we believe that our organization alone will become it; rather, we see it as the product of both the wider class struggle, and of the real work of revolutionaries, of which we see ourselves as only one of many elements. We do not see this party as a government-in-waiting, for the emancipation of humanity depends on the active struggle of the whole working class, and this struggle cannot be replaced by the dictates of a minority.

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