

Trade war and the political independence of the working class

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The decision of the United States to proceed with the imposition of tariffs on \$34 billion worth of Chinese goods, coupled with threats from President Trump to impose an additional \$500 billion in tariffs, marks a further stage in the breakdown of the post-World War II capitalist order.

The fact that the measures against China—along with the earlier imposition of tariffs on steel and aluminium impacting Canada, the European Union, China, Japan and Mexico, together with the threat to impose tariffs on auto imports—have all been invoked on “national security” grounds is deeply significant.

It is an unmistakeable sign that the trade war measures have an essential military dimension and are a major component of the preparations by the US to launch war against its rivals—that is, a world war—should that be considered necessary to maintain Washington’s global dominance.

In April 2009, in the aftermath of the global financial meltdown, the most significant crisis of global capitalism since the Great Depression, the leaders of the major industrialized countries pledged, hand on heart, that they would never resort to trade war and protectionist measures. The lessons of the disastrous decade of the 1930s and the role of such measures in creating the conditions for world war had been learned, it was universally declared.

What is the situation today? The United States has launched what the Chinese Commerce Ministry has rightly described as “the largest trade war in economic history,” or, as others have noted, the most sweeping measures since the infamous Smoot-Hawley tariff of 1930.

In 1938, on the eve of the outbreak of World War II, Leon Trotsky wrote that that the bourgeoisie “toboggans with closed eyes towards an economic and

military catastrophe.” Eighty years on, his words have a profound resonance.

The other major powers have no answer to the measures of the Trump administration apart from the imposition of retaliatory tariffs that take the world further down the road to all-out economic and ultimately military conflict.

In every country, the ruling elites are pressing forward with the same economic nationalist and militarist agenda as the Trump administration. The conclusion is being drawn in the European capitals and in Asia that with the breakdown of the post-war order they must re-arm and prepare themselves for conflict.

Just as the world heads into a repeat, on an even vaster scale, of the economic conflicts of the 1930s, so all the horrific measures imposed in that disastrous decade are being revived. Concentration camps are being established in Europe and the US for the incarceration of hundreds of thousands of immigrants and refugees as governments of all political stripes lurch further to the right.

In the decade since the eruption of the global financial crisis, all of the contradictions of the profit system that produced the market meltdown are intensifying, marked above all by deepening social inequality—the accumulation of fabulous wealth by a handful of global billionaires and oligarchs amidst declining living standards and worsening poverty for the broad mass of the population.

The ruling classes are now seeking to exploit the anger and hostility produced by their policies of war, austerity and repression by turning it in the direction of economic nationalism. Here the trade union bureaucracies and the social democratic and labour parties, as well as the Democratic Party in the US, most notably its “left” (Bernie Sanders) section, play the

critical role.

In the face of the mounting economic and social disaster produced by the decay of the capitalist order, the working class must advance its own independent program. In the first place must be the political struggle against all forms of economic nationalism and the rejection of the lie that such a policy can protect workers' jobs and living conditions.

Economic nationalism is always and necessarily accompanied by austerity measures aimed at the social position of the working class, in order to promote the "international competitiveness" of the individual capitalist nation-state, accompanied by the diversion of vast economic resources to military spending. Whether it is advanced in the form of outright fascist ideology, as with Trump, or dressed up in "left" guise, economic nationalism does not represent a way forward. It is rather the death rattle of a decaying and crisis-ridden social system.

Equally bankrupt is the perspective advanced by the defenders of the post-war order based on the claim that the growing economic madness can be cured by an appeal to "reason"—as if the present crisis were merely a product of the mindset of Donald Trump—and by pointing out that the US is destroying the very system it largely created and that proved so beneficial to it.

The breakdown of the post-war order is not at root the result of incorrect policies, but the expression of fundamental contradictions of the capitalist mode of production—above all the conflict between the global character of production and the division of the world into rival capitalist nation-states.

This contradiction first exploded to the surface in the form of World War I. The so-called "war to end all wars" was only the first stage in what was to become a 30-year conflict between the imperialist great powers that ended only in 1945 with the establishment of the economic and military hegemony of the United States.

The conflicts between the major powers could be regulated and contained so long as the United States enjoyed economic supremacy. But the very economic growth promoted by the post-war liberal order undermined the dominance of the US relative to old rivals and the emergence of new ones, above all China. US imperialism is today driven to reverse this decline through violent economic and, if necessary, military means.

The contradiction between the global economy and the nation-state system, which has been enormously intensified by the globalisation of production over the past three decades, can no longer be contained within the old framework and has once again burst to the surface. It now dominates the political life of every country in the form of the deepening drive to war, the whipping up of nationalism, the imposition of austerity and the emergence of authoritarian and fascist forms of rule recalling those of the 1930s.

An understanding of these objective socio-economic processes must form the basis for the development of an independent perspective and program for the working class, grounded on the recognition that the urgent necessity is to unify its struggles across national borders against the common enemy—the capitalist system.

Left in the hands of the present ruling classes, the enormous economic power created through globalised production, the result of the unified labour of the international working class, will become the basis for death and destruction on an unprecedented scale.

This power must be released from the cage of the nation-state and private profit system and become the foundation for a new advance of mankind through a planned international socialist economy. That is the perspective on which the working class must fight in response to the eruption of trade war and all it portends.

To implement it, the working class must tear itself free from the political domination of the capitalist class and all of its parties and political representatives. It must embark consciously on the struggle for workers' power and socialism on a world scale.



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