

In support of the “Break Free from Fossil Fuels” protests

This May thousands of people are participating in Break Free from fossil fuels protests all over the world. There is no wonder why. Last year had the highest global temperatures ever recorded and this year that trend continues. And if the main cause of this warming--burning fossil fuels--is not quickly stopped the majority of Earth's people face hell.

But it is not being stopped rapidly enough, and the reason for this is a question of class struggle:

On one side the capitalists are making untold profits by either extracting carbon fuels, running industries directly dependent on these fuels (like auto), or running industries dependent on these two; and it is the capitalists and state-capitalists (as in China) who control the governments of the world. What's more, despite the corporate-paid deniers, the capitalist governments know the great crisis global warming is bringing humanity. Indeed, many of their politicians have been warning of it all this century. But capitalist political opinion remains stuck in neo-liberalism. The result is a vain search for market solutions to carbon emissions, such as “cap and trade.” But market solutions have failed, or will fail (see the article below), and often cause major ecological fiascoes of their own.¹

On the other side are the working and poor people of the world. Every year hundreds of thousands of them are already dying or becoming climate refugees, with the masses in the poor countries, indigenous peoples, and national minorities most severely

affected.

But they are not just victims, they are fighting back. And it is from this movement that the solutions to climate change are going to come. Its leading edge is saying: Carbon extracting and refining operations must be shut down. There must be a rapid transition to renewables and false solutions like nuclear power opposed. Workers laid off from fossil fuel industries must be given jobs with equal or better pay elsewhere. Indigenous rights must be protected and national-minority communities not slighted.

But to accomplish this means the movement must stand up with *political demands!* Central in these must be the call for direct **environmental regulations**, including banning certain activities, and the call for **economic planning**, e.g., where will laid off coal and oil workers to go? Moreover, formulating and enforcing regulations and plans cannot be left up to government bureaucrats and the captains of industry meeting in closed rooms. There must be demands for openness and mass inclusion in everything, and continued protests and struggles when, in spite of everything, regulations or plans go against the interests of the working people, national minority communities, and indigenous peoples.

We can build a political movement that does this, and wins! With only presently-existing technology, it is possible to drastically cut the use of carbon fuels, protect the environment, and still maintain or raise the masses' standard of living.²

1. See for example, <http://www.comunistvoice.org/41cAlGore.html>

2. See for example, <http://www.nohairshirts.com/>

The carbon tax is another false solution, and the IMF and World Bank are pushing it!

The carbon tax is the latest fad in the search for market solutions to the problem of greenhouse gas emissions, i.e., it lets the polluters decide what to do when taxed, while the masses of workers and poor bear its burden. Mainstream environmentalism supports it, but some of the most active and best Climate Justice organizers support refined versions of it too. We think they should ask themselves why the neo-liberal advisor to Reagan and Thatcher, economist Milton Friedman, expressed support for the idea of a carbon tax way back in 1979, and why the

imperialist International Monetary Fund and World Bank support it today. The following is a greatly shortened and edited version of the post at <http://communistvoice.org/DWV-160429.html>, which gives many references.

Workers around the world are being devastated by the market fundamentalism of the so-called “Washington Consensus”, which is identified with such institutions as the IMF and the World Bank. These institutions are helping submerge the world in wave after wave of privatization, wage-cutting,

elimination of entitlements, and “structural readjustment”. They promised that market measures would bring economic development and prosperity, but the result has been misery on a mass scale, with entire countries devastated one after another.

So it should cause people to think twice that the IMF and the World Bank are now pushing hard for “carbon pricing” as the solution to the threat of global warming. Christine Lagarde, Managing Director of the IMF, talks about how the carbon tax is a replacement for direct government action on the environment, which she regards as impractical. She supports the carbon tax as part of seeking to slow down other actions, e.g., *“Myth number two is that a plethora of complex and cumbersome government policy interventions is the best way to reduce emissions, carbon dioxide being the most important-- [a long list of subsidies and regulations] I would push back somewhat on this approach as it is inefficient for climate policy and administratively complex.”*

The World Bank, through the Carbon Pricing Leadership Coalition, also wants to use carbon pricing in place of direct governmental measures to prevent greenhouse emissions. It says that *“Instead of dictating who should reduce emissions where and how, a carbon price gives an economic signal and polluters decide for themselves whether to discontinue their polluting activity, reduce emissions, or continue polluting and pay for it.”*

The IMF and World Bank assure us that the carbon tax is supposed to fall on the polluters, and imagines that the pain it causes these polluters is supposed to cause them to abandon fossil fuels. The World Bank says “A price on carbon helps shift the burden for the damage back to those who are responsible for it, and who can reduce it.”

But this is a lie. Carbon pricing is not a tax on the profits of the fossil fuel companies, and it doesn't directly effect their profits; the tax is imposed on the consumers of energy, or it is passed on to the consumer by the energy companies. These consumers include large-scale manufacturing firms, which will in turn pass on the tax to their customers. Workers, however, can't pass on the tax. Small truckers, fisher people, and others generally can't pass on the tax either. But the energy companies and other large corporate polluters can and will make their customers

pay.

Meanwhile the IMF is demanding the removal of fuel and other subsidies from the mass of the population. Lagarde claims to be concerned about what this will do to the poor. She writes that “Targeted measures (e.g., adjustments to the tax system, stronger social safety nets) are generally a much better way to help the poor.” But in practice, these other measures just never seem to appear; indeed, the whole point of IMF structural adjustment is tear up the safety net. A real alternative to the present system of subsidies in various countries would have to include serious economic planning for mass welfare, and guarantees for the people's welfare, combined with government programs that ensure there are alternatives to environmentally harmful fuels and products; but the IMF and World Bank are opponents of such planning and of such a government role.

The IMF and the World Bank are advising governments about how to plan their systems of carbon pricing. So the working class and the militant environmental movement need to pay attention to the IMF and the World Bank, and decide their attitude to the market measures backed by the IMF and World Bank. Should we believe the sugared words of the IMF and World Bank, or look at the real results of the “Washington Consensus”, privatization, and neo-liberalization?

Today part of the bourgeoisie still denies that human activity is causing global warming. Another part of the bourgeoisie talks about global warming and even claims to be taking measures against it. But it's not taking effective measures. It talks and talks, and signs one solemn pledge after another, and greenhouse emissions get higher and higher. Some measures the bourgeoisie has taken in the name of environmentalism has actually made things worse, such as the promotion of natural gas and fracking, or the World Bank financing the building of the huge Medupi coal power station in South Africa. We need to consider whether the emphasis on carbon pricing is another fiasco of world neo-liberalism, which sabotages the environment for the sake of providing many profitable opportunities for large corporations and the rich. Do we really want to bet the fate of our planet on the supposed wisdom of the IMF and the World Bank?

For more on the carbon tax see <http://www.comunistvoice.org/42cCarbonTax.html>

For a list of environmental books and other materials see <http://communistvoice.org/DWV-160422.html>

Please write to the Seattle Communist Study Group at seattle.com.sg@gmail.com!