

Nobody owns the future*

I

The subject of this chapter is economic democracy. It is an old topic, and one that has generated a rich history of fertile thought and mostly frustrated action.

The impetus to economic democracy stems, in part, from a simple intuition: under capitalism, economic life tends to be autocratic; and, yet, we condemn autocracy and praise democracy; therefore, for the sake of consistency, we ought to demand the transformation of the economy along more democratic lines. As the nineteenth century writer Henry Demarest Lloyd put it, ‘there is to be a people in industry, as in government’.¹ That demand has always represented an important moral challenge to orthodox beliefs about our society. Defenders of the orthodoxy have never convincingly seen off the challenge, at least not at the level of principle. As a matter of political practice, however, economic democracy has been a marginal phenomenon.

In this chapter, I want to suggest that the impulse to economic democracy is in urgent need of revival; and that trade unionists ought to contribute to its resurgence. I refer to the ‘impulse’ to economic democracy because I want to focus on its underlying moral impetus and its general implications. So, I will not consider any particular institutional forms or structures that have been, or might be, imagined for it. The most urgent thing is not to worry about an institutional blueprint for economic democracy.

What is needed right now, I will argue, is something more basic—namely, a concerted effort to challenge concentrated economic power, and to do so in a way that gives voice to the democratic impulse. We need to begin to encroach upon plutocracy—economic autocracy—in the name of democracy. The initial aim would be simple, yet nonetheless fairly ambitious: the aim would be to persuade people that democratic principles are relevant to the basic organisation and running of economic life. That aim challenges the orthodoxy of the capitalist-democratic regime, according to which democratic principles belong exclusively in the so-called ‘political sphere’, and therefore have no place in the ‘economic sphere’.

Under that regime, to be sure, democratically-elected governments do play a role in economic life. However, governments normally understand that they must respect, and must be seen to respect, defining features of capitalism, especially the predominance of private ownership of economic resources; and the deployment of such resources for the enrichment, and at the direction, of resource-owners. According to this orthodox understanding: the role properly played by democratically-elected governments in economic life constitutes respectful ‘intervention’ in another domain, a domain that belongs, morally, legally and practically, to resource-owners above all others. Whatever powers the legal constitution might technically afford them—say to replace the profit-oriented economy—democratically-elected officials know that they would imperil not only their own reign, but perhaps also democracy, if they dared to seriously question, let alone to repudiate, the orthodoxy; in the rare cases where they might be inclined, in their hearts, to do so. A spectrum of well-known examples, such as those of Salvador Allende and Francois Mitterand, demonstrate the potency of the unwritten

* This chapter was originally presented at a 2019 conference of trade unionists, academics, NGOs and community activists. It is now a chapter in a forthcoming collection to be published by Anthem Press.

capitalist-democratic constitution: when it comes to economic life, the democratic spirit must be strictly contained.

The case in favour of an enlarged notion of democracy would rest on the following proposition, a notion which underpins not only economic democracy, but democracy as such: the proposition is that members of a community should be entitled to democratically determine matters that significantly affect the community. If that idea's relevance to economic life were accepted, it would be at the expense of the plutocratic principle that currently holds sway—that is, the normally unquestioned idea that those who own the economy ought largely to control it. And that would be an important gain, especially today, when so much is at stake for the community.

So, that's where this chapter is going. But, in order to get there, I'm going to take a fairly roundabout journey. I want to begin by considering why these questions have taken on renewed—and, indeed, unprecedented—importance.

II

The collapse of the Soviet system was the catalyst for widespread reflection on the merits of capitalism. Where I was at the time, at high school and university, reflection sometimes took the form of vigorous debates. The critics of capitalism naturally had a hard time of it, tilting gamely against the tide of the times. For the most part, the defenders of capitalism secured more support from the waverers. Apart from the pro-capitalist mood of the moment, which might have played a subliminal, emotional part, one or more of the following beliefs usually appeared to weigh heavily in capitalism's favour:

- (i) Capitalism, thanks to its efficiency at wealth-generation, has brought immense improvements in the material quality of life to vast numbers of people.
- (ii) Liberal-democratic-capitalism has demonstrated that it has the wherewithal to weather challenges and crises; it is more solid, stable and sustainable than its rivals, which have mostly collapsed or been defeated.
- (iii) Even if one thought there were reasons in favour of replacing liberal-democratic-capitalism, such a large change is best avoided because of:
 - a. the daunting uncertainty about whether any other system would be better or worse; and
 - b. the very real risk that implementation would lead to chaos and authoritarianism, as seen in the Soviet experience.

Faced with those considerations, against the backdrop of the collapse of what was widely portrayed as the only plausible alternative to capitalism, debaters often reached the conclusion—sometimes gleefully, sometimes ruefully—that '[t]he historical debate is over. The answer is free-market capitalism'.² That was how Thomas Friedman put it, gleefully. The course of the classroom debates mirrored wider public discussions. Those discussions tended to nurture the beliefs just outlined, urging us to treat them as common sense and therefore beyond question.

Various social forces began to adjust. Establishment liberals, like Friedman, worked to fortify the impression that their views marked the outer-left-limit of the political spectrum. Social democratic parties took heed, and they grew more resolute in their use of neoliberal vocabulary and their espousal of neoliberal values, thereby doing their bit to erode the hard-

won civic culture of communal, rather than atomized, aspiration upon which the flourishing of social democracy, and trade unionism, depend.

Largely unopposed in the field of culture and ideas, the neoliberal vanguard pressed home its advantage. Their objective—achieved, today, to a very great extent—was not only to dismantle social democratic policies and institutions, but to ensure that they would stay dismantled. Having understood the world-shaping power of culture and ideas—apparently better than their social democratic opponents—the neoliberals sought to bury the specifically socialist-tinged impulses to freedom, democracy and justice that animate social democracy; to destroy the civic culture that is nurtured by those impulses; and to discredit and disperse the communities and institutions that give voice to those impulses and sustain that culture—including, especially, trade unions.

In sum, to many sincere people—not only to neoliberal propagandists—it seemed incontestable that capitalism was a successful system, especially because of the three features attributed to it, which I described earlier:

- (i) Firstly, capitalist growth credibly promised a better material life.
- (ii) Secondly, liberal-democratic-capitalism seemed adept at overcoming internal and external challenges.
- (iii) Thirdly, seemingly viable alternatives had been proven to be engines of fanaticism, chaos and authoritarianism, unlike liberal-democratic-capitalism, which seemed moderate and stable.

In the years following the Soviet system's collapse, those simple propositions appeared to serve—more widely than ever—as knockdown arguments in favour of liberal-democratic-capitalism's preeminent legitimacy. But, over the same period, capitalism was busy generating a state of affairs that has drastically undermined these and other redemptive claims made on its behalf. Today, each proposition is in the process of being progressively and profoundly negated, right before our eyes. What happened? And what does it mean for trade unions and trade unionists?

III

In the thirty-year period that began in 1992, with the founding of the UN's climate change initiative, we emitted more than fifty percent of the carbon ever emitted by the burning of fossil fuel.³ So, as David Wallace-Wells puts it, during that period, we 'engineered as much ruin knowingly as we ever managed in ignorance'.⁴ And we also radically altered the economic and political implications of addressing climate change. Wallace-Wells sums up the problem:

If we had started global decarbonization in 2000..., we would have had to cut emissions by only about 3 percent per year to stay safely under two degrees of warming. If we start today, when global emissions are still growing, the necessary rate is 10 percent. If we delay another decade, it will require us to cut emissions by 30 percent each year.⁵

According to a 2018 study, if we maintain our current trajectory, we will fall far short of the energy transformation needed to reach 'net zero' by 2050—so far short that it will take us an additional three hundred and eighty years.⁶ According to Kevin Anderson of the Tyndall

Centre for Climate Change Research, the upshot is that we have ‘squandered any opportunity for the ‘evolutionary change’ afforded by our earlier (and larger) 2°C carbon budget’.⁷ Sir Robert Watson, former IPCC chair, has said, ‘Let’s be quite candid’; ‘we’re not on the pathway to 2°C. We’re on a pathway to 3, 3.5°C’.⁸ A UN report released in 2019 estimates that over 1 million species are at risk of extinction. Watson was the chair of the inter-governmental body that produced that report, and, in commenting on its findings he said:

Through ‘transformative change’, nature can still be conserved, restored and used sustainably – this is also key to meeting most other global goals. By transformative change, we mean a fundamental, system-wide reorganization across technological, economic and social factors, including paradigms, goals and values... [But] transformative change can expect opposition from those with interests vested in the status quo, but also that such opposition can be overcome for the broader public good.⁹

And yet, many political and economic leaders talk, and act, as though the changes could be piecemeal, gradual, and perhaps even imperceptible to most of us. Some politicians promise to take serious action on climate change. But, at the same time, they promise to deliver economic growth—usually without acknowledging that doing both might not be feasible. Enlightened-seeming business leaders talk about carbon-neutrality, which they enthusiastically welcome—so long as ‘greening’ is compatible with growing profits; that goes without saying.

This upbeat posture represents a new form of climate denialism. Its proponents accept that climate change is real. But they tacitly refuse to accept that we have squandered the opportunity for evolutionary change. This New Denialism is less crude than its anti-science predecessor. However, its relative sophistication hardly makes it less dangerous or less reactionary. It is dangerous simply because it is causing us to waste more time. And it is reactionary, like the old denialism, because its function is to prioritize the imperatives of capitalism over the imperative to safeguard nature and civilized human life. I will call this order of priorities ‘Capitalism First!’.

A symptom of the New Denialism, and a corollary of Capitalism First, is the marginalization of mitigation options that do not create some sort of ‘incentive compatibility’—by which I mean: an incentive structure that promises to align the profit-maximization principle with our ecological security. There is nothing new about this. Public policy-making often entails, more or less explicitly, the search for happy coincidences between profit-maximization and some human good. However, although the notion was always a twisted one, its consequences were never as destructive as they are now.

The New Denialism effectively proceeds according to the following logic. It is assumed, first of all, that climate security and an economy based on profit-maximization are both goods worth promoting. Many would agree with that assumption. But it also seems to be taken for granted that, in the event of any serious conflict between climate security and the profit-maximization principle, the profit-maximization principle should prevail. The evidence for the stranglehold of this logic is clear: it is the absence of any mainstream discussion of plausible mitigation options that would seriously conflict with Capitalism First. Once we look behind the recent upsurge of responsible-sounding political rhetoric, we are confronted with denialism in a new guise—a public policy outlook that remains, in effect, both fanatical and reckless.

Naomi Klein argues persuasively that, in general, elite denialism is not based on ignorance of, or hostility to, the reality of climate change: on the contrary, it is based on a sober and farsighted assessment of the probable implications of free, democratic deliberation about mitigation. If an open-minded discussion were undertaken, with a view to democratic, public-spirited consideration of *all options* for effective and just mitigation, some of the sensible options might seriously challenge capitalism—as they in fact do. By way of illustration, consider the not-really-optional option of drastic de-carbonization and how the President of the US Chamber of Commerce responded to it:

There is no way this can be done without fundamentally changing the American way of life, choking off economic development, and putting large segments of our economy out of business.¹⁰

Frederic Jameson has suggested that, ‘It is easier to imagine the end of the world than to imagine the end of capitalism’.¹¹ This formulation captures some of the darkness at the heart of the elite response to climate change. However, Jameson’s use of the passive voice—‘It is easier to imagine...’—obscures a greater darkness. It obscures the responsibility of the powerful flesh-and-blood actors whose interests are chiefly served by Capitalism First. It would be more telling to say, ‘The beneficiaries of Capitalism First would prefer to imagine the extinguishment of millions of lives and countless species than to imagine the diminution of their privilege and power’.

‘But, surely’—it might be said—‘when it comes to climate change, we are all in it together: even the beneficiaries of Capitalism First stand to lose from pathological climate change, and this means that they have an incentive to mitigate such change’. That sentiment is, by now, a leitmotif of the Panglossian climate change genre. To be sure, there is much that all humans would lose—including biodiversity, climatic stability, and more—and some beneficiaries of Capitalism First are, and might still be, moved by these considerations. But it is not self-evident, or even likely, that climate change need cause the loss of privilege and power, or even of luxurious lifestyles. Some parts of the planet are likely to remain relatively hospitable, and some of the powerful and privileged could be expected to retain those places—or to colonize them, formally or informally—and to fortify their lifestyles by the heavy militarization of land and sea borders, keeping out those who would flee worse conditions elsewhere.

At first, that scenario might seem far-fetched, until it is realised that, in various ways, privileged individuals and nations already adopt such measures and have done so, in various ways, throughout history. In Australia, both major political parties already extol the callous fortification of our borders, pandering to an allegedly widespread fear that good fortune shared with refugees, is good fortune lost. The chief beneficiaries of Capitalism First could reasonably expect the augmentation and adaptation of these and similar measures to protect their power and privilege. So, some beneficiaries of Capitalism First are likely to have made the calculation that, despite climate change, they, and their descendants, can probably avoid the loss of their power and privilege for at least several generations.¹² It is implausible, then, to maintain that, when it comes to climate change, we are all in it together: if the chief beneficiaries of Capitalism First have often inflicted, or accepted, suffering where it merely promotes their power and privilege, why wouldn’t they do the same in the case of climate change, in order to avoid losing those prizes altogether?

Another aspect of the New Denialism is a sanguine response to that question, one which imagines either: that, if sacrifices are to be made, we would all, willingly, shoulder them together; or that the maintenance of existing privilege and power can be reconciled with ecological security. Just as the New Denialism denies that mitigation and adaptation require a rejection of Capitalism First, it also denies that *just* mitigation and *just* adaptation are likely to require a confrontation with those who would prefer to risk a deadly catastrophe for others than to contemplate the removal of their own privilege and power. In sum, both the old and new denialism obscure one of the most important questions that humanity must now confront:

Can a capitalist economy and power structure be maintained without destroying the conditions needed for human civilization and without extinguishing millions of lives and at least one million species?

By ‘capitalist economy and power structure’ I mean an economy that is very substantially under the *und*emocratic control of large private owners and which is aimed at unlimited profits, unlimited capital accumulation, and unlimited economic growth.

Pathological climate change is, in very large part, a function of capitalist economic life as we know it. Mitigation measures must affect the nature of the economy; as must the now inevitable adaptation measures; and, in each case, very substantially. Will mitigation and adaptation be *just*? Or will they entrench, or perhaps even, enlarge concentrated power, privilege, and injustice at the expense of workers and the community generally? These are open questions. How they are resolved will depend to a great extent on whether concentrated economic power and privilege are displaced by powerful countervailing forces that stand for democracy and justice. How can trade unionists act as a countervailing force?

The well-known difficulty is that workers have only an indirect influence over the shape of economic life. Workers make the economy run, but they do not run the economy. According to the liberal-democratic version of democracy, workers have to resort to electoral politics to try to exert some influence over the economy. Even then, such influence can only be very circumscribed, so long as private ownership of the economy is to be respected. The owners of the economy have a much more direct say, by virtue of the legal prerogatives they enjoy as owners.

There are reasons why it would be unwise for trade unionists, or for the community generally, to put all of our eggs in the liberal-democratic basket. I will now try to explain how we might open up another democratic front, one that begins inside the economy. The ultimate aim would be to transcend the separation of so-called economic and political spheres, which is a hallmark of liberal-democratic-capitalism. A more immediate aim would be to begin to erode plutocracy and the confinement of democracy to the so-called ‘political sphere’. That goal is especially apt in connection with climate change: the arbitrary insulation of the economic sphere from democratic government is a deep, structural cause of the paralysis in the face of climate change—for reasons that will be underscored in a moment. That paralysis, and therefore that structural problem, must be addressed. Moreover, by grounding our arguments in democratic principles, we might improve our chances of overcoming some of the rhetorical and political hurdles that stand in the way of trade unionists who want to argue for a just transition to a green economy.

In order to consider how to overcome those hurdles, it makes sense to begin by taking stock of them. All of the things I am about to say are widely-understood. But, nonetheless, they are rarely articulated. Perhaps that is not surprising: the animating logic of a profit-centred economy—its priorities and its values—are not, in themselves, humane values. And the redemptive idea that private vice yields public benefit is not easy to accept. That is a problem which has tested its defenders' intellectual ingenuity, from Bernard Mandeville to Ayn Rand, up to the present. And so, it is understandable that defenders of capitalism would try to associate it with more noble notions such as 'freedom'. But, once we peel away such branding devices, what we see is a system of concentrated power and privilege, which, in its essentials, is not unlike those that preceded it, such as feudalism. They too were shrouded in high-sounding principles. Perhaps we only see those systems starkly, for what they were, because we describe their logic baldly, in an unalloyed way. That is what I think we should do more often in the case of capitalism. We should say: 'The economic system, as it currently is, proceeds on the basis that the principle of profit-maximization should prevail at all costs, even at the cost of jeopardizing human civilization; and that is a fanatical and reckless logic, which cannot continue'. Speaking like that, in my view, would complement the approach that I want to recommend.

So, what are the hurdles in the way of trade unionists who want to argue for a just transition to a green economy?

IV

One of the greatest hurdles is the special cultural and structural status of economic growth. The 'dominant policy' position domestically and internationally is officially sanguine about the prospects for reconciling economic growth and climate security.¹³ The associated theory is sometimes referred to as 'green growth'. This is the notion 'that continued economic expansion ... is or can be made to be compatible with our planet's ecology':

Green growth theory is now promoted by leading multilateral organisations and is assumed in national and international policy. It rests on the assumption that absolute decoupling of GDP growth from resource use and carbon emissions is feasible ..., and at a rate sufficient to prevent dangerous climate change and other dimensions of ecological breakdown.

It is worth quoting, at length, the conclusions of a 2019 evaluation of the feasibility of green growth:

[E]xtant empirical evidence does not support the theory of green growth. This is clear in two key registers. (1) Green growth requires that we achieve permanent absolute decoupling of resource use from GDP. Empirical projections show no absolute decoupling at a global scale, even under highly optimistic conditions. While some models show that absolute decoupling may be achieved in high-income nations under highly optimistic conditions, they indicate that it is not possible to sustain this trajectory in the long term. (2) Green growth also requires that we achieve permanent absolute decoupling of carbon emissions from GDP, and at a rate rapid enough to prevent us from exceeding the carbon budget for 1.5°C or 2°C. While absolute decoupling is possible at both national and global scales (and indeed has already been achieved in some regions), and while it is technically possible to decouple in

line with the carbon budget for 1.5°C or 2°C, empirical projections show that this is unlikely to be achieved, even under highly optimistic conditions.

Those findings lend further weight to the increasingly persuasive case for selective de-growth.¹⁴ Despite the possible merits of the de-growth option, it has largely been pushed beyond the parameters of mainstream discussion. So far, elite discourse has shown virtually no inclination to question the belief that, over time, capitalism tends to make us better off materially.

Some social democrats have played an important part in keeping the de-growth option off the table. Joseph Stiglitz's recent writings provide an interesting example. In an op-ed published in 2019, Stiglitz seems to express doubts about the viability of endless growth in the context of climate change:

While most economists agree that there is still room for some economic expansion, even in the short run – additional output, some of which could be used to fight the battle against the climate crisis – there remains controversy over how much output could be increased without running into at least short-term bottlenecks.¹⁵

By contrast, in a piece promoting a social democratic platform he calls 'progressive capitalism', Stiglitz laments the 'slow' growth under both Reagan and Trump, citing it as one of the 'problems' with neoliberalism.¹⁶ He advocates a 'progressive capitalism based on an understanding of what gives rise to growth...'. Entrepreneurialism is fine provided that it is, in his words, 'adding to the nation's economic pie' rather than just 'grabbing a larger share' of it.

These last remarks go to the heart of the matter. Social democracy, at least since the New Deal, has been based on the idea of a social contract between labour and capital. Under that contract, labour agrees to participate in promoting capital accumulation. Labour's reward for 'adding to the nation's economic pie' comes in the forms of a state-orchestrated redistributive social wage and tolerance for strictly bounded union-brokered income gains. All capitalist economics are, in a sense, 'trickle-down economics', whether the prevailing regime is neoliberal or social democratic. The key difference between the two, in this respect, is that under neoliberalism there are weaker and fewer pumping mechanisms by which wealth can be made to flow from capital to the rest of society. The 1983 Australian Prices and Incomes Accord is a good example of an explicit articulation of the social democratic compact's architecture and the design of pumping mechanisms.

The joint commitment to enlarging the economic pie rests on the prospect that capitalist enterprise can be a positive sum, rather than zero-sum, game for labour and capital. Economic growth is, then, absolutely central to the viability of social democracy as we have known it. It is also central to trade unionism, as we have known it, at least since Australia's Federation. Trade unions' demands for material improvements have a better chance of being regarded as tolerable by capitalists insofar as those demands do not lead to declining profits. So, the efficacy of the social democratic compact depends upon, among other things, labour's commitment to capital accumulation. Trade unions have been willing to make that commitment, in part, because of the reasonable expectation that higher living standards for union members can only be regularly obtained as a side-effect of sustained, successful capital accumulation.

But, if it is the case that endless economic growth is incompatible with climate change mitigation, then this centrepiece of social democracy, and of trade unionism, must be revised. If a policy of systematic no-growth or de-growth were adopted, the positive-sum promise would evaporate, diminishing the possibilities for cooperation and compact. Unions would either have to give up on increasing wages or capital would have to give up on increasing profits—unless the compact is fundamentally changed or transcended. However, for the reasons just outlined, arguing against growth, as an opening gambit, is not a promising approach.

V

Another of the most significant hurdles is posed by the special cultural and structural status of what is often called ‘economic freedom’. The notion of economic freedom is an ideological corollary of the liberal-democratic-capitalist separation of economic and political spheres: economic freedom is what ‘we’ are supposed to enjoy in our ‘private’ non-political-sphere lives. Put bluntly, it is largely a propagandist’s term, masquerading as a lofty moral principle. Among other things, the idea of economic freedom extols the prerogative of private property owners to do what they will with their property, so long as it isn’t unlawful. Warren Buffett vividly describes the kingly prerogative that allows him to deploy his wealth according to his whim:

If I wanted to, I could hire 10,000 people to do nothing but paint my picture every day for the rest of my life. And the [GDP] would go up. But the utility of the product would be zilch and I would be keeping those 10,000 people from doing AIDS research or teaching, or nursing...¹⁷

Defenders of economic freedom say that one of its positive side-effects is aggregate wealth generation: the freedom to seek maximum profits—or to rent 10,000 portrait painters—is supposed to promote efficient resource allocation. On this view, we should let investors offer the goods or services they want to offer—assuming they in fact do anything so useful—without making judgments about the overall consequences, subject only to very capacious legal limits.

So long as the private ownership of concentrated wealth is a fact of life, community welfare is dependent upon what is done with so-called economic freedom. In particular, welfare depends upon whether those who control concentrated wealth are willing to invest it in activities that are employment- and tax-generating and otherwise promote human welfare. Normally, the willingness of owners to invest depends upon their assessment of whether the investment will yield not just profits, but profit growth. The implications are simple: lack of sufficient prospects for expanding profits leads to lack of investment, which in turn diminishes the community’s welfare. Therefore, all other things being equal, workers, unions and the community have an interest in promoting profitable investment.

However, there is a very serious question as to whether capitalist-style economic freedom is compatible with climate security. What if investment in certain kinds of economic activity—perhaps many kinds—is incompatible with optimal climate change mitigation? What if, as discussed earlier, seeking indiscriminately to maximize growth is a public health risk? In other words, what if economic freedom, as we know it, should now be regarded as dangerous, or at least highly suspect? If the answer to each question is ‘yes’, then trade unionism is in a

difficult bind. So long as workers remain economically dependent on the profit-seeking decisions of investors, unions—and governments—will often face a Hobson's choice between promoting economic security, on the one hand, or climate security, on the other. There are signs that the pressures generated by this dilemma are already very real; and that the champions of Capitalism First are exploiting those pressures.

The pressures imposed by the Hobson's choice do not merely assist particular industries, such as the fossil fuel industry. They serve the wider cause of Capitalism First. That is, they help to ensure that economic power and privilege are maintained no matter what else happens to the world as a result of climate change. One way to promote that cause is to encourage progressive forces to fight amongst themselves over the Hobson's choice, a choice and a fight that is artificially shaped by capitalism. This all helps Capitalism First, because if progressive forces are fighting one another, then they are not forging a counter-movement that would refuse to be forced into a choice between economic security and climate security.

It is well-known that a union-led demand for a *just transition to a green economy* represents one way to reject the Hobson's choice. However, it is far from clear that any transition could be, on the one hand, just and green and could also involve, on the other hand, a growth-oriented, labour-capital compact—namely, the kind of compact according to which labour and capital cooperate in the effort to maximize growth of the so-called 'economic pie'. Firstly, there are reasons to think that a genuinely *green* transition would be incompatible with untrammelled and indiscriminate economic growth and therefore so-called economic freedom. Secondly, there are also reasons to think that a genuinely *just* transition—one that sees remedial improvements in the lives of workers and the underprivileged—would be incompatible with the maintenance of the substantial inequality of wealth that is a defining feature of capitalism. Truly *just* provision for workers and others would require a substantial redistribution of wealth and income. And a genuinely *green* transition would require a substantial redistribution of power away from plutocrats. So, a *just* and *green* transition is likely to be incompatible with a would-be positive-sum labour-capital compromise of the kind has long been at the heart of both trade union and social democratic strategy.

To summarize: climate change casts serious doubt on the notion that capitalist growth promises a better life; if we continue to pursue untrammelled and indiscriminate economic growth, if we continue to respect economic freedom, there is a real risk that we will destroy the conditions required for civilized life and also extinguish millions of lives and countless species. One difficulty that confronts trade unions in responding to climate change is that there are limited prospects for a just and green labour-capital compromise. Capital would have to concede more than it ever has. And the Capitalism First vanguard seems to know that: in holding the line against a no-options-barred public discussion of mitigation, the vanguard reveals its fear that some of the realistic options would challenge capitalism to its core.

As I said, this is all well-understood. But it is often left unsaid. If we baldly describe the conflict between capitalism and climate security, we can starkly reveal the fanaticism that drives proponents of Capitalism First and the cravenness of the New Denialists.

VI

There are good reasons to encourage open, democratic discussion of the credible doubts about the compatibility of climate security, on the one hand, and economic growth and economic

freedom, on the other. However, due to the Hobson's choice I've just outlined, and the political bind it creates, capital has a natural, rhetorical advantage in any such discussion, which only a very strong movement could challenge.

To recall, capital's natural advantage stems from the relations of dependence described above: the economy must be run on capital's terms, to a very great extent, or else disinvestment follows, and, in turn, economic hardship for workers and vulnerable people generally. The implied threat of such hardship is already being used to undermine the formation of a movement for a just transition to a green economy, even before that movement has really gotten off the ground. Under current conditions, dominated as they are by capital, merely to question the wisdom of economic growth—let alone to reject it—is tantamount to doubting the wisdom of economic security and prosperity.

An alternative approach would be to take aim at the very fact of that domination—and to do so on democratic grounds. The goal would be to begin to encroach upon plutocracy—at first culturally—by persuading people that democratic principles are relevant to the basic organisation and running of economic life, especially given then threat of catastrophic climate change.

The argument would be a simple one, if made along the following lines.

- The decisions that businesses make now will substantially determine whether our children and grandchildren have a chance of enjoying a civilized existence. Millions of human, and other, lives hang in the balance, together with the fate of at least one million species.
- Until now, our society has taken it for granted that core economic decisions—decisions about what goods and services to offer and how to generate them—are primarily 'private' decisions to be made by the people who own businesses.
- We have of course introduced various consumer and environmental protection laws that have imposed constraints, but those have still left substantial discretion to business owners.
- Now, scientists tell us that, for the sake of climate change mitigation, we need rapid 'transformative change', meaning 'a fundamental, system-wide reorganization'. So, we must think again about what we used to take for granted, including private domination of the economy.
- Whether transformative economic change happens, when it happens, and how it happens are matters that affect all of us.
- Decisions about matters so crucial to the future of humanity should be subject to democratic determination, not the 'private' preferences of a tiny group of wealthy individuals and large corporations.
- Currently, our political-economic system is not designed to include basic economic decisions within the scope of democratic governance.
- The current system of government is therefore not up to the challenge we now face.
- There isn't time to wait for it to correct itself, assuming it ever would.
- We therefore should begin to think, talk and act in a democratic spirit with respect to the 'transformative change' that our economy must undergo, so that it might proceed democratically.

- That means that all of us should be involved in local, open, democratic debate and deliberation about how our community as a whole, and the smaller communities to which we belong, should implement transformative change.
- We will begin to establish for ourselves mechanisms for debate and deliberation because we have a democratic right to be informed and to have an ongoing, effective say.
- That moral right is stronger than, and should trump, the rights that come with private ownership.
- Nobody owns the future.
- And so business owners should not be able to rely upon their ownership rights to determine all of our futures.
- Instead, the people must take democratic ownership of the question of how transformative change happens.
- In doing so, we will be doing nothing more than demanding that democratic principles be upheld when so much is at stake.
- Matters that affect the whole community must be determined by the community, not by individuals using their privileged, private power.

Trade unionists could make this argument and also to make it real by beginning to facilitate ground-level, open, democratic debate and deliberation about how to implement transformative change. Workers, as unionists, could establish an ongoing, self-governing voice within the economy. This line of argument also serves to combat another danger, which was long ago presaged by André Gorz:

[T]he recognition of humanity's ecological interests does not necessarily take the form—desirable from the individual's point of view—of a defence or, better still, a reconquest of the life-world. On the contrary, it may well take a technocratic form, leading to tightening of the constraints and manipulations exercised by the administrative subsystem. It is impossible to base politics on a necessity or a science without by the same token denying its specific autonomy, and establishing a 'necessary' or 'scientific' dictatorship, no less totalitarian when it refers to the needs of the ecosystem than when it refers (as 'diamat' did) to the 'laws of dialectical materialism'. The problem that faces political ecology, then, is the problem of defining practical modalities enabling the needs of the ecosystem to be taken into account by the personal judgement of autonomous individuals in pursuit of their own ends within their own known world. It is the problem of retroactive coupling of necessity with normativeness or, if you prefer, the transformation of objective necessities into normative behaviour corresponding to needs that have been experienced, and that influence the form in which the objective necessities are perceived. This is none other than the problem of democracy.¹⁸

If the economy does not become much more democratic, there seems little chance that it will become just and green. The case in favour of an enlarged notion of democracy challenges the normally unquestioned idea that those who own the economy ought to control it. Today, the reasons for renewing that challenge are far greater than ever.

VII

The Covid-19 catastrophe demonstrates vividly how capitalism distorts our ability to respond to human needs, even, or perhaps especially, when they are particularly pressing and weighty. A central component of the Covid-19 disaster is a tragic predicament: the tragedy is that we are obliged to choose between saving lives and saving livelihoods. To be sure, under any conceivable economic arrangements, a pandemic of this magnitude could be expected to generate some tension between material well-being and the avoidance of infection. However, under capitalism, what might otherwise be a manageable tension becomes a potentially overwhelming crisis. Capitalism makes our bad situation even worse—and in many of the same ways that it aggravates the climate crisis. How so?

Under any conditions, capitalism adds perverse, tortuous, and avoidable complexities to the problem of meeting human needs. So long as the imperatives of profit-maximization and of the market determine whether human needs are met, then whether or not they are in fact met depends not upon how urgent or important are those needs—in human terms—but on whether or not there is a happy coincidence between satisfying capitalist imperatives and meeting human needs. Sometimes that happy coincidence occurs; more often, it occurs with much ‘interventionist’ underwriting, facilitating, coaxing or manipulation; and sometimes it simply does not occur, and more or less extreme deprivation ensues, unless a non-market mechanism steps in. Those are the scenarios that typically obtain when the market system is able to function ‘normally’.

However, under certain circumstances, such as the present pandemic, the operations of the market are suspended, partly by government fiat and partly as a result of capitalist and consumer withdrawal. When markets break down in such drastic ways, a crisis of apparent scarcity erupts, threatening a state of prolonged and widespread want—but not because there are insufficient resources to meet human needs. There is increased want because capitalist societies depend, by and large, on the capacity of the market to meet human needs, and the market is stalling. Thus, today, the problem is not the sheer unavailability, for the foreseeable future, of food, or clothing, or medicine, or energy, or shelter for everyone in the community. The problem is that the market mechanisms by which workers would earn the funds needed to purchase those necessities, and the mechanisms by which supplies are made available for purchase, have broken down.

The government possesses the formal constitutional authority to systematically appropriate the needed goods and services and to ensure their just distribution. But, despite that—and although, for a truly democratic government, *salus populi suprema lex*—capitalist-democratic governments cannot take such steps on a widespread and open-ended basis on pain of breaching the unwritten capitalist-democratic constitution, which I described earlier.¹⁹ The capitalist-democratic constitution elevates the hoarding of private wealth to the level of a supreme law, needlessly exacerbating any difficulties in meeting human needs that might be an unavoidable consequence of the pandemic; and needlessly aggravating the tension between material well-being and the avoidance of infection.

So, it is said that, beyond an initial emergency period, there are insufficient resources to supply the community with essential goods and services, if we insist on maintaining wide-ranging restrictions on non-essential economic interaction in order to save lives. (Put aside the telling, jarring reasoning involved in saying that the distribution of *non-essential* goods and services must resume in order to ensure the distribution of *essential* goods and services.) Australia’s Treasurer has repeatedly stated that ‘there is no money tree’,²⁰ which, though literally true,

is misleading. What is not acknowledged is that this problem could be relieved substantially if the extremely wealthy were forced to make sacrifices for the common good. Capitalism, by its sanctification of resource-hoarding by the wealthy, puts such matters beyond the bounds of mainstream discussion. It is striking that there is not even discussion of moderate measures such as increased taxation of the extremely wealthy.

Hence the immense pressure we have seen to resume ordinary market operations, even if that resumption almost certainly risks a high cost in terms of human health: unless economic activity resumes on terms that are conducive to capital's flourishing, which, at present, entails substantial health risks, we must suffer extreme economic deprivation. The Hobson's choice is at once a real dilemma and an artificial one.

- It is a real dilemma so long as we live under a regime in which the interests of capitalists are allowed to trump community welfare. Trade unionists, and indeed everyone who must work for a wage, finds themselves at the mercy of capitalist imperatives which must be satisfied if widespread poverty is to be avoided.²¹ Workers are thus coerced into pleading and praying for a rapid return to the generation of economic growth. And workers are thereby conscripted as soldiers of Capitalism First, forced to support the capitalist recipe for economic security over measures that would promote public health during Covid-19 as well as ecological security into the future.
- It is a largely artificial dilemma because it is substantially the product of human agency, rather than natural forces. This is illustrated by the parody of civic-mindedness involved in the condemnation of toilet-paper hoarders and the silence about billionaires; a small fraction of their hoarded wealth could greatly assist in meeting the community's needs, including its needs for food, or clothing, or medicine, or energy, or shelter, not to mention ventilators and personal protective equipment, until the virus can be conclusively eliminated.

The emerging response to the Covid-19 catastrophe involves the same order of priorities that is at work in the Capitalism First approach to climate change. In these moments of crisis, when fundamental priorities are laid bare, liberal-democratic-capitalism is shown to be fanatical in its devotion to capitalist imperatives, placing them decisively above the preservation of human life.

VIII

Perhaps it was once plausible to maintain that liberal-democratic-capitalism stands for pragmatism and moderation. But, even if it was once the case, it is no longer. Supporters of liberal-democratic-capitalism across the spectrum—from the neoliberal vanguard to social democrats—have so far refused to systematically, openly and democratically address all credible options for tackling climate change. They have strained to avoid any option that would be incompatible, or even in tension, with maintaining the power and privilege of the economy's owners. They are insisting, in effect, that we make the preservation of human civilization conditional upon the preservation of capitalism. Urging faith in the current system's capacity to overcome climate change—despite the mounting evidence to the contrary—is more utopian than pragmatic; and more fanatical than moderate. We are being told to expect that the system will save us, when there are good reasons to think that it will bury us. We must reject that faith by insisting that our future be determined by us,

democratically. Trade unionists can take the lead in showing everyone what that demand means.

Bibliography

Baker, JE 'It's High Time We Fought This Virus the American Way', *New York Times*, 3 April 2020, <https://www.nytimes.com/2020/04/03/opinion/defense-protection-act-covid.html>

Coorey, P "Australians know there is no money tree": Treasurer', *Australian Financial Review*, 11 March 2020, <https://www.afr.com/politics/federal/australians-know-there-is-no-money-tree-treasurer-20200511-p54rou>

Crist, M 'A Strange Blight', *London Review of Books* 41, no. 11 (2019)

Friedman, TL *The Lexus and the Olive Tree: Understanding Globalization* (USA: Farrar, Straus & Giroux Inc., 1999)

Glasbeek, HJ *Class Privilege: How Law Shelters Shareholders and Coddles Capitalism* (Toronto: Between the Lines, 2017)

Gorz, A 'Political Ecology: Expertocracy versus Self-Limitation' *New Left Review* 1/202 November-December (1993)

Kanno-Youngs, K and Swanson, A 'Wartime Production Law Has Been Used Routinely, but Not With Coronavirus', *New York Times*, 31 March 2020, <https://www.nytimes.com/2020/03/31/us/politics/coronavirus-defense-production-act.html>

Klein, N *This Changes Everything* (UK: Penguin, 2015)

Lloyd, HD *Wealth Against Commonwealth* (New Jersey: Prentice Hall Inc., 1963; first published 1894)

Osnos, E 'Survival of the The Richest', *The New Yorker*, 30 January 2017

Quealy, K 'The Richest Neighbourhoods Emptied Out Most as Coronavirus Hit New York City', *New York Times*, 15 May 2020, <https://www.nytimes.com/interactive/2020/05/15/upshot/who-left-new-york-coronavirus.html>

Stiglitz, J 'Progressive Capitalism Is Not an Oxymoron: We can save our broken economic system from itself', New York Times, 19 April 2019, <https://www.nytimes.com/2019/04/19/opinion/sunday/progressive-capitalism.html?login=smartlock&auth=login-smartlock>

Stiglitz, J 'The climate crisis is our third world war. It needs a bold response', The Guardian, 4 June 2019, <https://www.theguardian.com/commentisfree/2019/jun/04/climate-change-world-war-iii-green-new-deal>

Wallace-Wells, *The Uninhabitable Earth: A Story of the Future* (USA: Allen Lane, 2019)

¹ HD Lloyd, *Wealth Against Commonwealth* (New Jersey: Prentice Hall Inc., 1963; first published 1894), 183.

² TL Friedman, *The Lexus and the Olive Tree: Understanding Globalization* (USA: Farrar, Straus & Giroux Inc., 1999).

³ About 85 per cent of emissions have occurred since the Second World War. D Wallace-Wells, *The Uninhabitable Earth: A Story of the Future* (USA: Allen Lane, 2019), 4-5.

⁴ Ibid.

⁵ Ibid 179-180; see also: 28; 263; 11.

⁶ Ibid 181.

⁷ According to Kevin Anderson, the Deputy Director of the Tyndall Centre for Climate Change Research, quoted in N Klein, *This Changes Everything* (UK: Penguin, 2015) 56.

⁸ Quoted in M Crist, 'A Strange Blight', *London Review of Books* 41, no. 11 (2019): 7.

⁹ Quoted in *ibid*.

¹⁰ Klein, 31.

¹¹ Frederic Jameson attributes this thought to 'someone': quoted in Wallace-Wells, 161.

¹² See, eg, E Osnos, 'Survival of the The Richest', *The New Yorker*, 30 January 2017. Consider also the apparent exodus of wealthy New Yorkers during the Covid-19 pandemic. 'Even though there's a strong rhetoric of "We're all in it together," that's not really the case', said Kim Phillips-Fein in response to a report that 'Hundreds of thousands of New York City residents, in particular those from the city's wealthiest neighborhoods, left as the coronavirus pandemic hit, an analysis of multiple sources of aggregated smartphone location data has found. ... In the city's very wealthiest blocks, in neighborhoods like the Upper East Side, the West Village, SoHo and Brooklyn Heights, residential population decreased by 40 percent or more, while the rest of the city saw comparably modest changes.' K Quealy, 'The Richest Neighbourhoods Emptied Out Most as Coronavirus Hit New York City', *New York Times*, 15 May 2020, <https://www.nytimes.com/interactive/2020/05/15/upshot/who-left-new-york-coronavirus.html>

¹³ Though, as explained earlier, it is probable that, unofficially, not everyone is anxious about achieving that aim.

¹⁴ See the debate in *New Left Review*: R Pollin, 'De-Growth versus a Green New Deal' *New Left Review* 112 July/August (2018) 5; M Burton and P Somerville, 'Degrowth: A Defence' *New Left Review* 115 January-February (2019) 95.

¹⁵ J Stiglitz, 'The climate crisis is our third world war. It needs a bold response', *The Guardian*, 4 June 2019, <https://www.theguardian.com/commentisfree/2019/jun/04/climate-change-world-war-iii-green-new-deal>

¹⁶ J Stiglitz, 'Progressive Capitalism Is Not an Oxymoron: We can save our broken economic system from itself', New York Times, 19 April 2019, <https://www.nytimes.com/2019/04/19/opinion/sunday/progressive-capitalism.html?login=smartlock&auth=login-smartlock>

¹⁷ Quoted in HJ Glasbeek, *Class Privilege: How Law Shelters Shareholders and Coddles Capitalism* (Toronto: Between the Lines, 2017) 209.

¹⁸ A Gorz, 'Political Ecology: Expertocracy versus Self-Limitation' *New Left Review* 1/202 November-December (1993) 59.

¹⁹ Consider how and why the United States's Defense Production Act 1950 is used: Z Kanno-Youngs and A Swanson 'Wartime Production Law Has Been Used Routinely, but Not With Coronavirus', New York Times, 31 March 2020, <https://www.nytimes.com/2020/03/31/us/politics/coronavirus-defense-production-act.html>

J E Baker, 'It's High Time We Fought This Virus the American Way', New York Times, 3 April 2020, <https://www.nytimes.com/2020/04/03/opinion/defense-protection-act-covid.html>

²⁰ Quoted in Phillip Coorey, "Australians know there is no money tree": Treasurer', Australian Financial Review, 11 March 2020, <https://www.afr.com/politics/federal/australians-know-there-is-no-money-tree-treasurer-20200511-p54rou>

²¹ And, so long as the virus remains potent, many workers are coerced into running an even higher risk of serious illness or death than usual, merely in order to earn a living.