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Covid-19 and industrial conversion

The Triple Crisis – A Conversion Strategy From the Shop Floor

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"Only a crisis - actual or perceived - produces real change," Milton Friedman, main torchbearer of neoliberalism, once claimed. The ongoing crisis is no exception. Working people will face a cannonade of attacks, over wages and working conditions, equality and democracy, as well as over environment and climate issues. But the double crisis of the epidemic and economic also opens the possibility of winning support for climate conversion. Market forces, which seemed so sacrosanct and inviolable, have failed.

Today all attention is understandably focused on the imminent threat of covid-19, but the crisis forces us to question the dogma that the market is supreme. Even firm believers of neoliberalism are forced to question the usefulness of deregulation and what it has produced.

* In Sweden a flabbergasted right-wing leader realizes that his party voted to establish a private pharmacy market ten years ago, resulting in abolishing the country's entire medical stock.

* In Great Britain a dazzled prime minister finds the country with a severe lack of ventilators and turns to the auto industry for help.

* And in the United States the Mad Twitterer claims that he has ordered General Motors to produce ventilators when in fact GM was already developing the supply line and design to produce them. GM projects manufacturing 30,000 ventilators by August. Another GM facility is producing Level 1 face masks and plans to produce 1.5 million a month. For its part Ford has already delivered a million face shields.

For the first time since World War II we can see Swedish industries convert their production to fulfill social needs, albeit on a tiny scale and under less than revolutionary circumstances: chemical plants making hand sanitizer, clothing manufacturers switching to protective equipment, truck companies sending employees to assist with logistics in the production of ventilators, cabin crews being quickly retrained to work in health care etc.

This is of course petty in comparison with what is possible and necessary. Despite all rhetoric about the state of war we are in, the difference between government intervention over production today and then is telling. At that time the government took command over industry and it was placed on war footing. The division between corporations was torn down; those who failed to comply didn't receive the raw materials they needed.

Companies who had been in fierce competition, jealously guarding their secrets, were forced to share research data and technical knowledge. This saved millions of hours duplicating engineering work and was a blow to the generally held view that competition leads to efficient production. Above all this applied to the U.S. auto industry, the country's only sector wholly and rapidly converted to war production.

So too, within two years, the British economy was converted from an unregulated market to one with strictly planned production. Without nationalizing private corporations, the British War Ministry took de facto control over what was to be produced, by whom and when. There too the auto industry was at the center.

Today we need this same kind of a centrally organized conversion to stop, in the shortest span of time, climate disaster. Under the global financial crisis of a decade ago we could glimpse the possibility of taking common international measures. In April 2009, within months after the crisis hit, the G20-countries decided on emergency

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measures totaling 1 100 billion dollars to save the banks. This was a sum already dwarfed by the 1 500 billion bailout the U.S. government passed. There is no lack of means, knowledge or tools for such drastic measures. What's missing are political forces that dare to implement measures, no matter how necessary, contrary to the needs of capital.

Although we can now see examples of what is possible to do, it doesn't mean that this kind of decisiveness will be directed towards the climate disaster the minute the Covid-19 crisis subsides. On the contrary, strong forces will prevent attempts to draw these lessons. Instead, the actions of our governments will aim to return to "business as usual." They are willing to give market forces ever more leeway, increasing production and emissions as fast as possible. They are willing to jump start the economy to feed capital's restless quest for profit, and to do so at the risk of pushing climate justice further down on the agenda.

We have seen this scenario before. In 2007 the issue of the climate was on everyone's lips. After decades of scientists' increasingly hoarse cries and fifteen years after the world's governments had promised to stop global warming, the issue reached the front pages when The Intergovernmental Panel on Climate Change (IPCC) shared the Nobel Peace Prize with Al Gore. Gore toured the globe with his film *An Inconvenient Truth*.

Then the U.S. real estate bubble burst. The financial market went into a death spiral and dragged down the world economy. Suddenly the climate issue went out the window. All that seemed to matter was how to support banks and industrial corporations.

In most countries, the fundamentalist attitude of "let nature take its course" was quickly replaced by various support programs. Notably in the US after the auto industry's historic flagship, General Motors, collapsed into George W Bush's unwilling arms. On the other hand, the Swedish right-wing government was stuck to the dogma and let Saab Automobile succumb. Ironically Volvo Cars was saved at the last minute by Chinese state capital, although wearing its private costume.

When the economic wheels eventually started spinning it was as if there had never been any climate discussion. Corporate globalization had it's heyday, driven by an unparalleled increase in fossil fuels. The few of us who had talked about conversion during the auto crisis in 2008-09 found even more deaf ears.

Just as today the downturn of 2008 made a small dent in the global warming curve. Before the crisis the atmosphere stood at 380 parts per million of CO₂. Today it's at 414, a nine percent increase. Then, as now, one of the main drivers was the auto industry. In 2010, 750 million passenger cars were driving on the roads, today the billion mark has been passed.

No one can have missed the restructuring of the auto industry has come up as their magic bullet contribution to curbing climate change: electrification (and corporate power...) But it's not that simple.

First, electricity must be produced. In a country like Sweden this is largely done through hydro and nuclear power, although that's not the case on a world scale. Despite all reports about the expansion of renewables, two thirds of all electricity are still produced by burning coal, gas and oil.

Second, every car comes fresh from the plant with a heavy carbon rucksack, that is, the emissions production causes. Electric cars carry twice as much CO₂ in their boot as a car with a traditional combustion engine. Recently a Swedish study estimated emissions from manufacturing batteries amounted to 150-200 kilos of CO₂ per kWh of battery capacity . This means, for example, that it would take eight years driving a Tesla S to compensate for all those extra emissions! Just as the auto industry's earlier lines of defense – denial, fuel efficiency and agrofuels – the

electric car is launched to save the industry's profits, not to solve the climate crisis.

For some time now the auto industry has had a decline in production; the covid-19 virus has pushed it over the brink into a free fall. The question arises once again of how to handle this central machinery of mass production. But neither death by neoliberal "creative destruction" nor continued subsidies are satisfactory for an industry that could be a major driving force to push the planet into a climate Armageddon.

In practice the world's governments have already chosen to tow the auto corporations up from the ditch and onto the highway again. Yet this will lead to global disaster. The question of transitioning auto industry is doubly urgent, not only to avert an unsustainable industry but to save the jobs of millions of its workers.

A solution to the climate crisis takes more than social distancing, good health care and a vaccine, it calls for a fundamental change in the driving forces of production. It means moving away from the short-term hunt for profit and devise a social use within the boundaries of nature. In other words, this requires a total confrontation with the mighty capitalist powers that increasingly control the world economy. We must stop discussing climate transition as a technical issue and see it for what it is: a question of politics and class struggle.

We need to create a strong and well-organized pressure that can realize this transition. That means it must be tied to concrete demands the majority see are necessary. This will provide it with the social weight that enables us to take on capital. Whereas governments and corporate leaders are in complete agreement on limitless rescue packages for banks, big corporations and the capitalist system in general, we can't hope for any climate rescue package from that. The shift must be initiated from below and carried forward by massive popular movements.

In my 2010 book *Slutkört*, I argued for a popular alliance based on the workers of the industry, on our need for safe jobs, our knowledge and the social power we possess. We would start by treating the auto industrial complex as a commons instead of a source of private profit. Rather it is an enormous social asset that society can put to use in developing goods to make a rapid transition of the energy and transit systems. We would need to carry this out with the same determination as a war conversion "€" locally, nationally and internationally.

The strong, vested interests of auto workers could be the driving force in that struggle. We are both people with a long-term interest in a society able to stop the climate disaster and as workers with an immediate interest in saving our jobs. Even if the auto industry will rebound from the present crisis it will probably be with a smaller work force. We can't afford to put our trust in those who presently occupy the driver's seat. They are interested in one thing only, increasing profitability. If there is a future for our jobs and our planet, we can't be cheer leaders for the bosses. If we and the planet are to survive, we need to independently develop our own plans, ones that serve social needs, ones that respect the resources of the natural world.

That way the false contradiction between the jobs of industrial workers and the environment can be resolved. Instead of putting our faith in the bosses we could be the heart of an alliance for good, safe jobs and a sustainable society. In our dual capacity as members of society and workers we have the necessary knowledge and skill of the production process and are in a position to fight for a conversion.

The vision of a future society is in sharper focus than it was ten years ago and, unlike then, we today have a possible allied in the global climate strike movement. A conversion strategy could be the foundation of a powerful alliance between auto workers and this youthful movement, an alliance that would be able to hit capital where it is most vulnerable, in the sphere of production.

Today much of what has been unquestioned during the triumphant years of the right is falling apart and the need for

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common decisions and democratic control has become more obvious than for several generations. This opens for politics and movements to drive through a conversion of the same magnitude as during WW2. The conversion that then was possible for death is today necessary for life.

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