Initiative for practical philosophy and concrete science
Letters from the PRAXIS-Workshop
by Horst Müller

2. Letter, March 04, 2021

The seven tails of the forced growth economy

Dear friends of political philosophy,

in the mythical world we often encounter the devil as a tailed creature. I use this metaphor to explain the nature of the capital and financial economy as cogently as possible: What can be seen on the big screen appears as a shadow theatre with profit makers, financial sharks and climate killers. The game behind it and its rules are not explained. Instead, the following ticker appears below it: Green New Deal...Green New Deal...

Marx explained the rules of the game: the surplus value, aka profit, appropriated by the capital side is generated from unpaid wage labour. Even the interest on shareholdings from the finance-capitalist office floors is only a share of surplus value. The demands from the financial world increase the pressure on the wage rate and the sphere of production, and the spiral of rising income, property and wealth inequality keeps turning.

However, this does not explain the compulsive economic growth that goes hand in hand with it: the secret of the capital economy as a historically transient mode of economy is hidden in its inner structure and motor function. This requires an approach that goes beyond reading and understanding "Das Kapital", one that is analytical of reproduction and practice. Marx's masterstroke was to distinguish the dimensions of the production of means of production and means of consumption.

Thus, surplus value always arises from the outset and proportionately in the material form of means of production. These are added to the capital stock, i.e. reinvested or accumulated. Thus the level of productivity, which was the basis for the representation of that surplus, is only sufficient for its *simple* re-production. A new *productive surplus value*, the condition and purpose for further economic activity, therefore requires a renewed *increase in productivity*. The competition does not let up either, and so it goes on and on in an upward spiral.

The system thus contains an intrinsic accumulation and growth compulsion in connection with ever-new increases in productivity. These present themselves as dazzling scientific-technological 'progress'. At the same time, capitalist development leads to more and more socio-economic inequality due to the disproportion between wages and surplus value, combined with social pressure and crisis ruptures. The excessiveness of this gear particularly shapes the production of consumer goods and the entire world of consumption and life.

The economic growth imperative is therefore not primarily the result of a desire for profit, a triggered propensity to consume, the laws of the market or blind belief in progress. Rather, it is *inextricably* anchored within the capital economy. It is therefore misleading to imagine a heap of social product that could only be piled up with more sense of proportion and turned into a green hill, or somehow shrunk in order to save the world. This is not helped by the discovery that the pile of GDP is partly made up of rubbish, does not represent prosperity and should be valued differently.

Regardless of all objections and protests, various attempts at explanation, counter-initiatives, resistance or even alternative proposals, the intrinsic economic calculus programmes the process of the capital economy for growth without end. However, this does not simply result in more and more, which only needs to be distributed differently and more 'fairly'. Rather, the process works in 7 dimensions to subordinate nature, society and the future to the 'inequality regime' and the growth imperative of the economy:

Capital economic growth constantly triggers new waves of pressure to *rationalise and adapt* production and provokes corresponding social consequences. Secondly, it demands the *subjugation of the welfare state* to its imperatives and enforces *social austerity*. It pushes for ever more highly organised accumulation of investment capital, so that the elimination of labour and large-scale production are seen as more 'efficient' and alternatives are suppressed. Fourthly, capital economic growth is realised through constant, often *unnecessary and harmful increases in production and consumption*. Furthermore, the *privatisation of the public sector* is used as field for growth: An anti-social usurpation of administrative, social-infrastructural and cultural services.

Sixthly, this growth leads to overproduction, which pushes towards *global expansionism*: With forging of exploitation chains to all corners of the planet, brute free trade, capitalist offensives into all world societies and the global south. Seventhly, the pull of growth leads to the *extraction of natural and human resources* until they are exhausted and to the emission of countless harmful residues and pollutants. It leaves marginalised people in unemployment, poverty and as displaced persons.

The compelling increases in productivity are an additional sting: On the one hand, they appear to have a civilising effect, but at the same time, they lead to an *excessive* informatics-technological *armament* and *denaturalisation* of social practice. This 'progress' in growth blinds and eludes reasonable shaping and social control. Thus, it derails degenerates in nuclear technology, chemical production, biotechnology, agribusiness, social technology, surveillance capitalism and arms race.

The system *has* no faults, it *is* the problem!

Best regards,
Horst Müller

https://www.praxisphilosophie.de dr.horst.mueller@t-online.de