

# THEORY CAPITALISM

Capitalism is a profit-driven economic system that, in spite of its supposed material benefits, is rooted in inequality, exploitation, dispossession, and environmental destruction.

## CONTRIBUTED BY

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## “FOR THE SAKE OF HUMAN DEVELOPMENT AND ECOLOGICAL SANITY IT NEEDS TO BE OVERTHROWN”

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“Capitalism turns men and women into economic cannibals, and having done so, mistakes economic cannibalism for human nature.”  
—Edward Hyman

“Capitalists don’t control capital; capital controls capitalists.”  
—Unknown

The cause of the economic crisis that began in 2008 is not inadequate regulation of the free market, but runs far deeper. The global slump we are living through is the predictable manifestation of a crisis-prone economic system rooted in production for profit rather than for human need. That economic system is called capitalism, and for the sake of human development and ecological sanity it needs to be overthrown. But to be overthrown, it must first be understood.

Capitalism is an economic system in which almost anything we need or want must be bought on the market, and in which most of us have nothing to sell but our labour. Capitalism is not a thing, but a social relation between capital and labour that divides humanity into two principal social classes: the capitalist class, or bourgeoisie, which owns the means of production (tools, resources, land), and the working class, or proletariat, which does not have access to the means of production and therefore must sell its own labour power, or ability to work.

## RELATED TOOLS

### Stories

- Battle in Seattle
- Battle of the Camel
- Billionaires for Bush
- Every Heartbeat Counts
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- Manich Msamah
- Modern-Day Slavery Museum
- Nuit Debout
- Occupy Wall Street
- Santa Claus Army
- Street Graduation
- Taco Bell Boycott
- The Salt March
- Who Would Accept?
- Yomango
- #YouStink

### Tactics

- Currency hacking
- Debt strike

The laws of competition and profit-maximization govern the capitalist market. Each enterprise exists alongside many others that are all producing similar products or services. Each needs to outperform the others, minimizing costs and maximizing profit, or they will be driven into bankruptcy. Technological innovation is one way to cut costs. Compelling employees to work harder and longer for less is another.

Capitalists' drive to expand propels economic growth, but at a certain point, production exceeds demand, and there are too many factories and mills producing the same thing for every firm to be profitable. This is the recurring crisis of overaccumulation and profitability into which capitalism enters. While profits during the expansive phase are privatized in the pockets of owners, the costs of crisis are socialized through austerity measures, unemployment, and poverty (see: THEORY: Neoliberalism).

Capitalists are indifferent to the commodities they produce so long as the need to generate profit is fulfilled (see: THEORY: Commodity fetishism). Solar energy or tar sands oil, cluster bombs or malaria medication, it does not matter what is produced or what purpose it serves, so long as it is profitable. Capitalism in this sense means production for exchange (profit) instead of production for use (human need and ecological sustainability). The moral perversity of this dynamic is played out daily in an economy that produces luxury cars and gourmet pet food for a few, while allowing the reproduction of almost unthinkable levels of global hunger and poverty (see: THEORY: Poverty), with more than one billion people living on less than USD \$1 per day, and another billion and a half on under USD \$2.

In sum, capitalism means waste, poverty, ecological degradation, dispossession, inequality, exploitation, imperialism, war, and violence. We need to build mass movements to replace it with an economic system based on production for human need and ecological sustainability, with participatory and democratic planning, worker and community self-management, and international solidarity.

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## LEARN MORE

Video: Crises of Capitalism

YouTube, animated lecture by David Harvey, 2010

[https://www.youtube.com/watch?v=qOP2V\\_np2c0](https://www.youtube.com/watch?v=qOP2V_np2c0)

Sex, Race and Class

Selma James, 1975

<http://libcom.org/library/sex-race-class-james-selma>

Capitalism vs. the Climate

- Divestment
- Eviction blockade
- General strike
- Identity correction
- Reverse graffiti

## Principles

- Brand or be branded
- Challenge patriarchy as you organize
- Debtors of the world, unite!
- Expose inequality with a viral gesture
- Focus on basic needs
- Give voice to those that can't speak
- Solidarity, not aid

## Theories

- Abolition
- Alienation effect
- Commodity fetishism
- Cultural hegemony
- Debt revolt
- Decolonization
- Environmental justice
- Framing
- Neoliberalism
- New Pan-Afrikanism
- People's "Shock Doctrine"
- Poverty
- Prefigurative politics
- Revolutionary nonviolence
- Revolutionary reform
- Society of the spectacle
- The commons
- The Global South
- The shock doctrine

## Methodologies

- Pillars of power
- Points of intervention
- Power mapping
- Spectrum of allies

## TAGS

Austerity, Capitalism, Colonialism, Corruption, Environment, Housing, Labour, Land use, Privatization, Policy,

Naomi Klein, The Nation, 2011  
<https://www.thenation.com/article/archive/capitalism-vs-climate/>

| War and peace, Wealth  
inequality