

## **The profit system must go**

Things are not produced today to meet people's needs. They are produced to make a profit. And that's the cause of the problems we face.

Under the profit system profits always come first, before providing basic services like health care and transport, before improving conditions at work, and before protecting the environment. At the same time it encourages a get-rich-quick climate where competition to make money takes over from cooperation and community values. Everything is reduced to its cash value and people are judged, not for what they are but by how much money they have.

Look at the results. The health service is crumbling. The transport system is in chaos. Schools have become swot shops. Pollution is rife and the environment under attack. The poor have got poorer. Begging and homelessness have spread. Crime is rising. Racism is reviving. Business culture reigns supreme, with "market forces", "competition" and "profit" as the buzz-words. Life is becoming more and more commercialized and empty. People are becoming isolated from each other, with drug abuse and mental illness on the increase. The standard of living may be going up, but the standard of life is going down. Under the profit system production is in the hands of profit-seeking business enterprises - some state-owned, but mostly private - all competing to maximise the rate of return on the money invested in them. Decisions as to what to produce and how much, and how and where to produce it, are made not in response to people's needs but in response to market forces. For a business, its profits are the difference between its sales receipts and its production costs. Market forces act on both. Through competition between different firms, they force each firm to seek to maximise its sales and to minimise its costs.

Both these have serious consequences for the way we live.

Maximising sales turns society into one huge marketplace. Advertising, the hard sell and swindles to trap the unwary have all grown over the years, and are getting worse. At one time television was free from commercial ads. Not any longer. Then came commercial radio. Now the pressure is on to allow Sunday selling, so that soon buying and selling will be able to go on 24 hours a day, 7 days a week. All this represents a commercialisation and a degradation of our lives. Minimising costs so as to maximise profits has equally harmful consequences. When a firm has a choice between two materials or two methods of production, one cheaper and the other safer or less damaging to the environment, it has to choose the first. Otherwise its production costs would be higher and it would lose out in the battle of competition. Its profits would be less and it would eventually risk being driven out of business altogether. The health and welfare of the workforce and the effects on the environment take second place. That's what minimising costs means. This is why at work we suffer speed-up, pain, stress, boredom, overwork and accidents. This is why we have to work long hours, shiftwork and nightwork. This is why the food we eat, the water we drink and the air we breathe are all polluted. This is why the Earth's non-renewal mineral and energy resources are plundered. This is why natural balances are upset and the environment destroyed.

The profit system can't help doing this. It's the only way it can work. Which is why it must go.

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