No Companies Bid for UK Offshore Wind Contracts

2023-09-16

1 min read

On Friday September 8th, 2023, there was an auction for UK offshore wind contracts, however even with the current subsidies offered by the British government which exceed £200m per year, the contracts received no bids. The fact that no companies bid for UK offshore wind contracts is a stark illustration of the contradictions inherent in capitalism, even when it comes to crucial ecological projects. Under capitalism, industries are driven by the pursuit of profit, and this profit motive often overshadows genuine environmental concerns. In this case, the absence of bids indicates that capitalists do not see an opportunity for substantial profit within the existing conditions and subsidies offered by the UK government.

Subsidies are frequently employed to ensure profitability for capitalists, even in vital renewable energy initiatives. These subsidies serve as a means for monopoly corporations to maximize their gains while offloading the risks and expenditures onto the taxpayer. In fact, while the average cost of electricity (currently around £87 per MWh) varies (and was exceptionally high in 2022), its normally lower than the average cost of subsidies (which were £110 per MWh in 2020 and have only gone up since)! Capitalism as a system compels capitalists to accumulate wealth at all costs, be it at the expense of ecological sustainability or with detriment to the live and health of the worker. Wealth is not a means of living for the capitalist, but the accumulation of wealth becomes the end goal. The profit motive takes precedence over the urgent need to address the environmental crises.

Conversely, under a socialist system production is oriented toward meeting the needs of the people, rather than being driven by the capitalist compulsion to accumulate wealth. In such a system, an all-encompassing rational and scientific economic plan, developed with the active participation of the masses of working people, would guide production and resource allocation. The primary objective of such a plan would be to sustainably satisfy the ever rising material and cultural needs of society, rather than the unending pursuit of profit.

Source: 1 2 3 4