

socialist standard

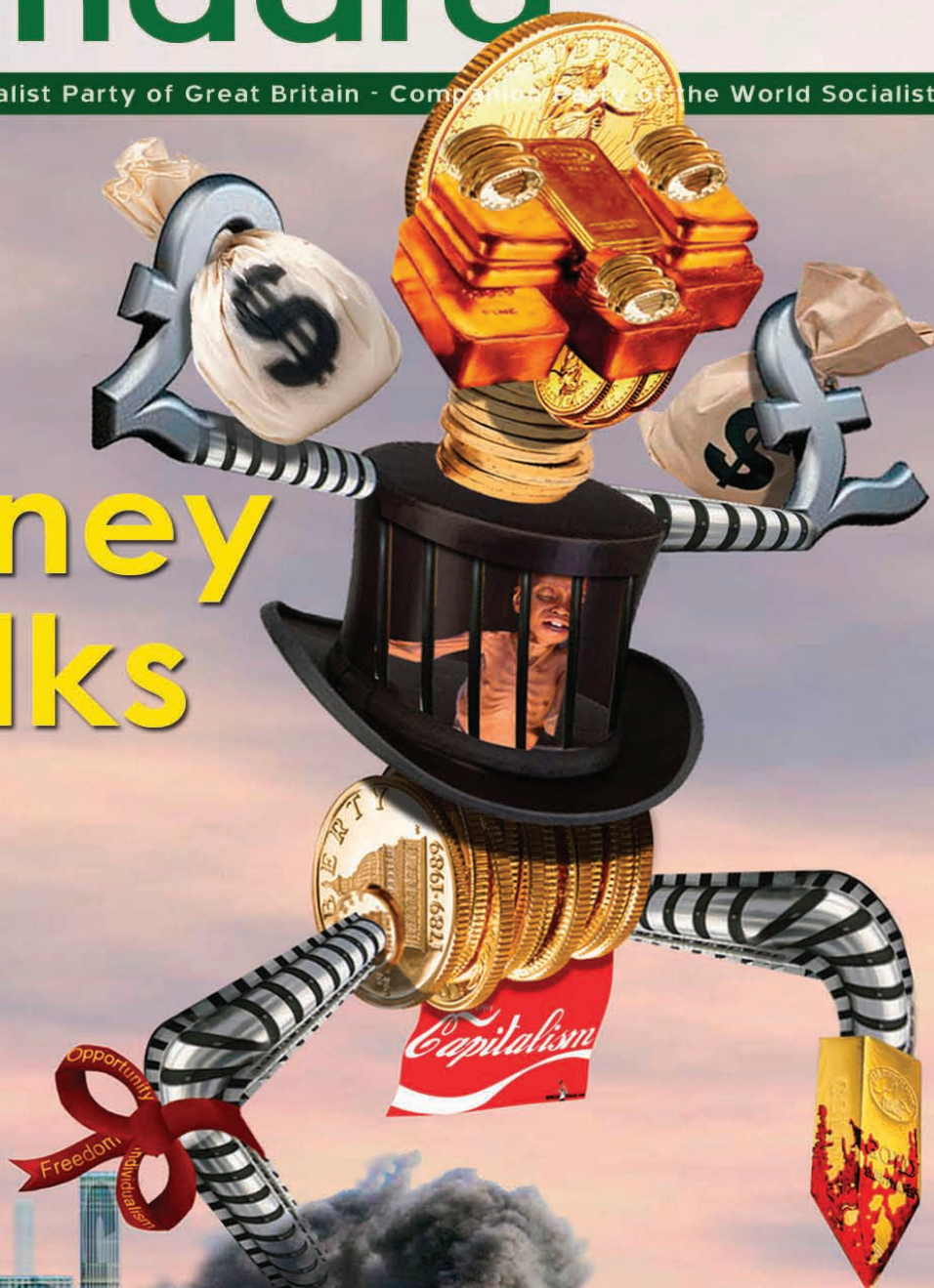


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Journal of The Socialist Party of Great Britain - Communist Party of the World Socialist Movement

Money Stalks



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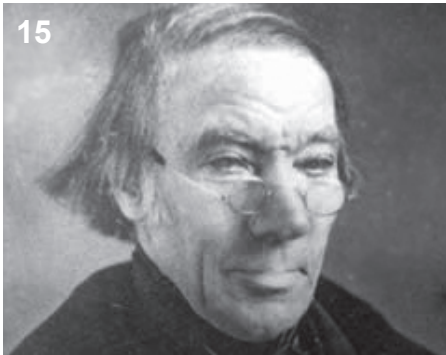
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THE SOCIALIST PARTY OF GREAT BRITAIN

The next meeting of the Executive Committee will be on **Saturday 6 December** at the address below. Correspondence should be sent to the General Secretary. All articles, letters and notices should be sent to the editorial committee at: The Socialist Party, 52 Clapham High street, London SW4 7UN.
tel: 020 7622 3811
e-mail: spgb@worldsocialism.org

Introducing The Socialist Party

The Socialist Party is like no other political party in Britain. It is made up of people who have joined together because we want to get rid of the profit system and establish real socialism. Our aim is to persuade others to become socialist and act for themselves, organising democratically and without leaders, to bring about the kind of society that we are advocating in this journal. We are solely concerned with building a movement of socialists for socialism. We are not a reformist party with a programme of policies to patch up capitalism.

We use every possible opportunity to make new socialists. We publish pamphlets and books, as well as CDs, DVDs and various other informative material. We also give talks and take part in debates; attend rallies, meetings and demos; run educational conferences; host internet discussion forums, make films presenting our ideas, and contest elections when practical. Socialist literature is available in Arabic, Bengali, Dutch, Esperanto, French, German, Italian, Polish, Spanish, Swedish and Turkish as well as English.

The more of you who join the Socialist Party the more we will be able to get our ideas across, the more experiences we will be able to draw on and greater will be the new ideas for building the movement which you will be able to bring us.

The Socialist Party is an organisation of equals. There is no leader and there are no followers. So, if you are going to join we want you to be sure that you agree fully with what we stand for and that we are satisfied that you understand the case for socialism.

Editorial

How to lose friends and alienate people

It would be hard to devise a scenario more likely to set the UK media drooling than the storyline that developed during late October. A couple of indiscreet politicians and an aristocrat enjoying the hospitality of a Russian oligarch's superyacht moored off Corfu is not newsworthy in itself of course.

What really attracted the attention of the media was the Tory shadow chancellor (George Osborne) and his indiscreet breach of the code of honour of his old upper-class binge-drinking club, and particularly his friend Nathaniel Rothschild, - who's guest he was - and who is also apparently worth a bob or two.

Osborne made the mistake of gossiping about a conversation he had on board with Peter Mandelson. At the time he was messing around in boats this summer he was an EU Commissioner for Trade but has since returned as a peer to Labour (previously known as New Labour), after various spells as the "architect" of New Labour (previously known as Labour).

If you're feeling confused, don't worry - what is of interest to socialists is how the whole episode has lifted a grubby stone to uncover many examples of the shenanigans of our ruling class. For example, one person in the vicinity was Rupert Murdoch's daughter Elizabeth who had her own boat nearby and was spending a week in the Mediterranean just to plan her 40th birthday celebrations. (If that's how long the planning takes, what were the actual celebrations like?).

Anyway, upset that his mates were bitching about each other only a few weeks after the yacht-party, Rothschild dropped Osborne right in it by accusing

him of soliciting funds for the Tories, from the yacht owner. His name is Oleg Deripaska and he actually comes over better than most in this episode, despite being alleged to be a thug who has effectively extorted billions of roubles out of the state-owned industry through close involvement with the Russian mafia. This is of course outrageous, but if we are being consistent, it is pretty much how most of today's capitalist class got their wealth, whether a few centuries or a few generations earlier.

This story of thieves falling out in the playgrounds of the rich sheds a little light on how our increasingly interconnected economic and political upper-class spend their money and time (what Peter Mandelson might term "serious relaxing"). But all parties to this grubby exchange - the economic sugar-daddies and their political lapdogs - appear to have now conveniently agreed to call a truce rather than risk damaging their collective reputation.

Discretion in their discussions with each other obviously counts for more than transparency and accountability to the rest of us who actually create the wealth they go to such lengths to consume. Entering a period of rising unemployment and re-possession is probably not the best time for the "have-yachts" to rub our noses in the details of the marvellous parties they always seem to be throwing for each other.

Any workers who share our anger with, and analysis of the problems of, capitalism are encouraged to apply to join via the address on page 2. Needless to say, this address can be used also for any billionaires wishing to make a donation.

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Future al Fresco, or the House of Cards that Jacque built

After the popular documentary film *Zeitgeist* (2007), with its dodgy bank-credit economics and global conspiracy theories, socialists were not expecting much from the sequel, *Zeitgeist Addendum*, which came out in October of this year.

Addendum however turns out to be a surprise. To be sure, it does reiterate the dodgy economics, overlooking the fact that when banks do try to create money out of nothing, they crash and burn, as has been happening recently. But then the film gets really interesting, because it proposes, as an alternative to capitalism, a global resource-based society of common ownership, without governments, hierarchies, markets, trading or money. Were the makers explicitly to use the term 'world socialism' most socialists would scarcely blink.

Not that there's any such reference, or indication of Marxian antecedents. Clearly the intention is to avoid triggering any knee-jerk reflexes from audiences schooled in the evils of soviet 'socialism'. Instead, they're offered the sci-fi version, with supersonic mag-lev trains, floating intelligent cities, nanotechnology and megamachines. The future is bigger, better and brighter, even if it does look a bit like *Thunderbirds Are Go*. The point being drummed in is that it's steam-age capitalism that's holding back technology, as well as creating a social and environmental hell-hole. Without capitalism, we can reach for the stars.

This is the Venus Project, futuristic creation of Jacque Fresco, engineer, architect and designer, a man on a laudable mission to persuade the world to ditch capitalism and create a practical cooperative alternative. For socialists to come across such a well-worked model which accords so closely with their own is a rare thing, so it seems almost churlish to suggest that the technology may be a bit over-done. It's not only that this kind of chrome-plated futurism looks paradoxically dated, like rocket ship stories of the 1950's, or that it may be off-putting to those yearning for William Morris-like rural idylls. More troublesome is the heavy emphasis placed on science and technology as the source of progress, for instance, as here: "The application of scientific principles... accounts for every single advance that has improved people's lives" (*Designing the Future*, at www.venusproject.com). Trust a techie to say that. But what about the role of workers, in unions or campaign groups, to raise wages and working conditions, or reduce the working day, or demand civil rights? Did technology have anything to do with recognition of race or gender equality, or gay liberation, or legislation against slavery or child-labour? Instead of recognising that workers won those rights by organised force, Fresco seems to think all improvements in civil rights were 'privileges' which have been 'granted' by the ruling elite (p.4).

This gives a clue to Fresco's attitude to 'responsibility' and 'democracy'. Technology, he thinks, will obviate the need for these. Laws against drink-driving, for example, can be abolished if cars drive themselves. True enough. But can one find a technological fix for every situation requiring humans to have an awareness of their own social responsibility, and even if we could, would we want to? Responsibility is not a burden, after all, it is empowerment, it is personal growth. Make humans responsible, and they become mature adults. Instead, Fresco would let this human quality atrophy.

Similarly, Fresco seems wedded to the strange idea that humans don't want to make decisions. Thus he envisages a 'global neural network' that does our thinking for us, a marriage of automation

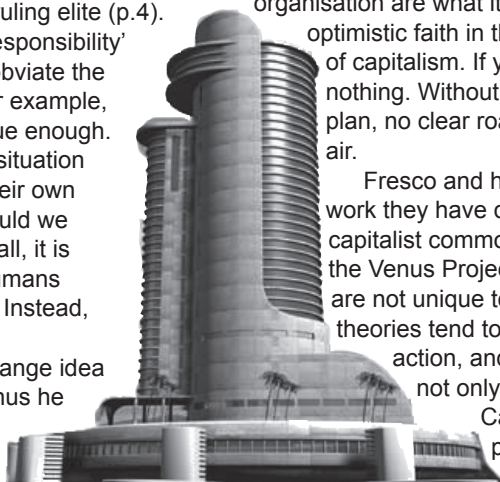
and cybernetic intelligence called 'cybernation'. This column has recently referred to self-adjusting production systems (Sept 08), but running an entire social system that way is surely a leap too far. In answer to the question: Who makes the decisions in a resource-based economy? Fresco gives the bizarre response: No one does. Apparently the cybernation system will decide what we want to produce, as well as how to produce it, because we humans just aren't up to the job.

What emerges sounds less like a socialist society of responsible adults and more like a Tracey Island playground for hedonistic infants with no tough decisions to make and no responsibilities to shoulder. Socialists place participatory democracy at the very core of our social model, irrespective of the technology. For Fresco, it seems to be the other way round. In answer to the question, would there be a government? Fresco answers that there would be a transitional administration of expert technicians, before the process of 'cybernation' is complete. He adds that "They will not dictate the policies or have any more advantage than other people." But how does he know that? What mechanisms would prevent a technocracy maintaining power in perpetuity? Fresco is leaving the matter to trust. Worse still, in avoiding the whole issue of democratic organisation and class action, Fresco has no way to address the even more pressing question, how to overcome the certain opposition of the ruling class. So he dodges it by arguing that there will be no need to, since capitalism will collapse of its own accord. Leaving aside the extreme improbability of this, it begs the question: what should we do then, while we're waiting for that to happen? Spread the ideas perhaps, as socialists advocate? Apparently not! "True social change is not brought about by men and women of reason and good will on a personal level. The notion that one can sit and talk to individuals and alter their values is highly improbable" (www.venusproject.com/intro_main_essay.htm). Ever the technophile, Fresco has his eye on something more worthy of an engineer, the building of an experimental city in South America, in order to show his society in action. Thus, we have a future, non-market, non-money society with no human decision-making, existing as a sealed bubble inside capitalism, and on a continent famous for its CIA-backed counter-revolutionary guerrilla forces. Well, lots of luck, but this ain't a horse we would back. Besides, the world has been here before - maybe he should read about Robert Owen on Page 15 of this issue.

Socialists rarely have anything good to say about post-modernism, but Fresco's starry-eyed fixation with technology reminds us what was wrong with modernity in the first place. It was enlightenment thinking gone light-headed, before the hangover set in and we realised that, actually, science can't save us from ourselves, in fact science and technology have got bugger all to do with it. Mass consciousness and democratic organisation are what it takes, not fantastical gadgets and optimistic faith in the imminent and obliging demise of capitalism. If you're wrong about that, you've got nothing. Without class action, there's no foundation, no plan, no clear road. It's a house of cards floating in the air.

Fresco and his friends deserve huge credit for the work they have done in setting out a vision of post-capitalist common ownership, and if nothing else, the Venus Project should remind us that such ideas are not unique to us. But visions born of conspiracy theories tend to preclude the idea of democratic mass action, and that is a weakness. For socialists, not only is mass action possible, it is essential.

Capitalism will not collapse. It has to be pulled down. And machines won't do that for us.



Money must go

Dear Editors

The existence of money and property ownership has become a choke point in the further evolution of mankind. We, in the United Kingdom, as one of the wealthiest nations on this planet, can't afford to keep our pensioners at a level much above abject poverty, and over the next twenty years this will become more acute. We close down hospital wards because next year's budget isn't due yet, despite being able to fill them many times over with people who urgently require treatment. We allow people in the third world to die in the most degrading circumstances, because it is more profitable to cheat them out of their national resources. We stand by and watch helplessly, as the drug barons infect our richest resource, our children. Big business rapes and pollutes the limited resources of our planet and encourages us to keep buying, and wasting, to keep the cash flowing. It doesn't make sense. Fortunately, there is a solution which can wipe out these ills and many more.

The two root causes of most human misery are money and violence, and the existence of money is the catalyst for most violence. By removing money and the individual ownership of any and all of Earth's resources from existence, we instantly remove the barriers to the further evolution of mankind. An evolution away from war, crime, and inequality. An evolution toward global prosperity, universal peace and understanding.

So how could this be peacefully achieved, and what would be the net effect? All we have to do is to decide, as a species, that at a pre-determined point in time, we will stop using money. From that time on, changes will begin to occur which will positively enhance our existence on this planet. All we have to do is keep working, to produce all the goods and services that we need and want. But instead of producing poor quality goods, we can take the decision to produce the best quality, most up to date goods we can imagine, for everyone.

Constricted only by the paramount rules of ensuring the safe availability of the raw materials we require, the safety of the people producing them and the overriding factor of its minimal impact on our planet.

With expert planning, and the positive will of all the people

of the Earth, we can build new communities with safe, efficient, integrated transport, energy, waste management, health and entertainment systems, sited in the most geologically and climatically stable environments on the planet, using fully recyclable materials. For all of us.

We can detoxify areas of our planet which have been previously adulterated by industry. We can grow unadulterated food all year round, using the most fertile and suitable areas of our planet for our crops. We can provide first class training for everyone to carry out their job efficiently and knowledgably. We can make those jobs as safe and pleasant as possible, with hours and holiday entitlements pre-calculated by statisticians, so that we do enough to maintain and improve our environment without it impinging too much on our new found social life.

We can gather the finest minds on the planet, equip them with all the materials and technology and help they require, and stand back in awe as they produce solutions to whatever befalls us. If it is humanly possible, and good for our planet and our species then why not? We, the human species can have all of this, and so much more.

As soon as we realise that we are all intimately related. We are one family, estranged by time, distance, environment and philosophy. And as soon as we realise that here on Earth, we are living in a life support system which is, to our certain knowledge, unique. Because it contains the only species in the known universe with which we can fully communicate, and it is composed of all the raw materials we will (hopefully) ever need.

We already have the world we dream about, we can award ourselves undreamt of fringe benefits. The only questions you really need to ask yourself are – why not.....and when?
KEN SCRAGG, Livingston, West Lothian

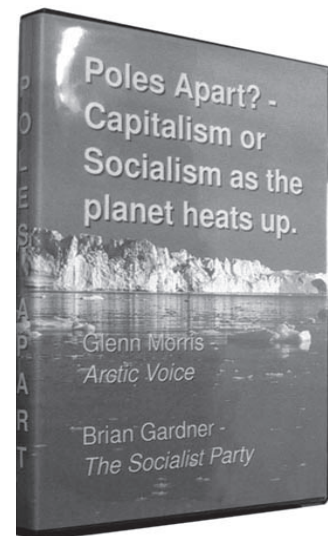
Reply: We of course agree that the production and distribution of wealth could, and should, take place without money, but we don't think it will as easy to get there as you seem to imply. We will need to organise to struggle politically against those who currently own and control the means for producing wealth and benefit from the money-wages-profits system. There will have to be an (essentially peaceful) democratic social revolution to end their monopoly and make the

means of production the common heritage of all, which will make money redundant. This done, the benefits you mention will become possible – *Editors.*



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The next capitalist frontier

Over recent centuries, one region of the planet after another has been “opened up” to capitalist plunder, with rival powers fighting over the spoils. In the 19th century the “scramble” was for Africa. Now it is for the resources of the Arctic, as technological advances and global warming make them accessible to exploitation (*Socialist Standard*, September 2007).

Once the Arctic and Antarctic are brought under the sway of capital, what next? Is that the end of the story, the closing of the last frontier? True, there remains the cosmos. But surely the costs of extracting resources and transporting them to earth will be prohibitive?

In fact, the strategists of the six space powers -- the US, Russia, the EU, China, India and Japan – already have their sights on the commercial and military potential of the moon.

Helium-3

On October 22 India launched the Chandrayaan-1 satellite. On November 11 it entered moon orbit. One of its main tasks is to map deposits of Helium-3 (He-3). This isotope, mixed with deuterium (H-2), is the optimal fuel for nuclear fusion. In particular, it minimises radioactive emissions. It is very rare on earth (by one estimate just 30 kg) because the solar wind that carries it is blocked by the earth’s atmosphere and magnetic field. The moon’s surface layer contains millions of tonnes of the stuff.

It has been calculated that a single shuttle flight bearing a load of 25 tonnes (currently valued at \$100 billion) would meet energy demand in India for several years or in the US for one year. Three flights would keep the world going for a year.

The main problem is extracting the He-3 as gas from the moon dust. This requires heating the dust to 800° C. in furnaces or towers powered by solar energy. (Silicon for solar cells is also abundant on the moon.) 360,000 tonnes of dust would have to be processed to collect enough gas for one load. Technologically this appears feasible; modern furnaces do actually process such huge quantities of material. However, some experts question the economic feasibility of strip mining the moon in this way.

Despite uncertainties, Indian strategists hope that the Chandrayaan-1 satellite will enable India to “stake a priority claim” on He-3 resources when lunar colonization begins. India’s main rivals in this field are the US, which has “re-energised” its moon programme and plans to establish a manned base by 2020, and also China.

Enough for everyone?

Given the abundant supply of He-3 relative to foreseeable demand, why should India need to compete with other space powers for preferential access? Surely there is enough for everyone?

Yes, but some locations on the lunar surface are much better for mining than others. Identifying the best locations is the aim of satellite exploration.

First, the nature of the terrain will obviously matter when building bases and installations, whether operated by humans or robots. It will be a great advantage to have water (ice) nearby.

Second, it will be least expensive to work in areas where deposits are richest, so that less dust has to be processed for each unit of gas extracted.

Third, reliance on solar power for soil heating (and other purposes) puts a premium on parts of the surface that have almost continuous exposure to sunlight. These are also the warmest regions (by lunar standards). An example is the Shackleton Crater at the South Pole. India is especially interested in this area, and the US also wants to establish its base there.

Militarisation of the moon?

Certain places on the moon are already seen as “strategic locations.” Thus, the topography of Malapert Mountain makes it an ideal spot for a radio relay station. Near the Shackleton Crater, it enhances the strategic value of the crater area.

Such considerations will become more important if the moon is militarised. This may happen as a result of competition for land and resources on the moon, or as an extension of military preparations on earth – for instance, with lunar stations serving as reserve command centres.

Even if international agreements constrain militarisation and divide the moon into zones belonging to the various powers, military threats may arise from “dual use” technologies. Suppose that instead of mining He-3 some country decides to generate electricity on the moon using solar cells and transmit it on microwave beams to a receiving station on earth. The problem under capitalism is that these same beams may equally well be used as powerful weapons against earth targets.

There is also potential for conflict between the space powers and countries that have not yet launched space programs. Like the nuclear weapons states, the space powers may form an exclusive club and take aggressive action to thwart “space power proliferation” – i.e., prevent other countries from acquiring space capabilities.

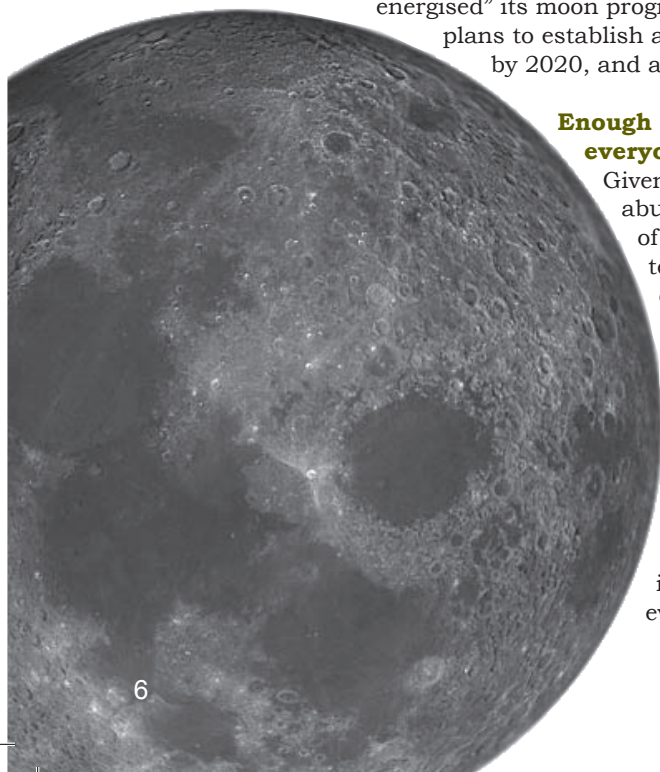
Space programs and socialism

It is absurd for our species to venture into the cosmos while still divided into warring states and dominated by primitive mechanisms like capital accumulation. Even the first people in space, almost a half century ago, could see earth as a single fragile system.

A world socialist community will have to decide which elements of existing space programs to retain and which to freeze or abandon. National programs will be merged into global programs, eliminating the wasteful duplication inherent in interstate competition. Programs of purely scientific interest may be deferred pending the solution of more urgent problems.

Attitudes in a socialist world toward reliance on space activities may diverge quite widely. Some may seek the benefits of a complex high-consumption lifestyle made possible by nuclear fusion and off-earth technologies. Others may prefer to avoid the irreducible risks of these technologies and solve earth’s problems as far as possible here on earth.

STEFAN





HOW THE OTHER 5% LIVE

"Once it was the Greeks who commanded the best boats. Aristotle Onassis's yacht, Christina O, hosted Marilyn Monroe, Frank Sinatra, Eva Peron and Sir Winston Churchill who were all photographed on board. Then the Arabs became involved. Ten years ago, Diana, Princess of Wales, was photographed sunbathing on Mohamed Al Fayed's yacht the weekend before she died. But in the past five years the Russians have turned it into a different league. Your bog-standard superyacht now costs between £40 and £70 million depending on the interior specification. The running costs tend to be about £5 million a year for the bigger vessels." (*Times*, 23 October)

YOU SHOULD BE SO LUCKY

"If it was not evident already how much developers in Dubai value the input of a celebrity name, the news that Kylie Minogue is to be paid about \$4.4 million (£2.8 million) to officially open the \$1.5 billion Atlantis Hotel on November 20 should silence any doubters. The Australian singer's first performance in the Middle East will be part of a \$35 million extravaganza billed as the most expensive party yet held - the fireworks alone are to cost \$6.8 million. But why bother with such expenditure? The Atlantis has already attracted huge publicity over its £13,000 a night suites." (*Times*, 31 October)

AIN'T RELIGION WONDERFUL?

"A 13-year-old girl who said she had been raped was stoned to death in Somalia after being accused of adultery by Islamic militants, a human rights group said. Dozens of men stoned Aisha Ibrahim Duhulow to death Oct. 27 in a stadium packed with 1,000 spectators in the southern port city of Kismayo, Amnesty International and Somali media reported, citing witnesses. The Islamic militia in charge of Kismayo had accused her of adultery after she reported that three men had raped her, the rights group said." (*Yahoo News*, 1 November)

AMERICAN NIGHTMARE

"Families are flooding homeless shelters across the United States in numbers not seen for years, camping out in motels or staying with friends and relatives, homeless advocates say. "There are lots of families hemorrhaging into homelessness and we need to figure out how to put a tourniquet on the hemorrhaging," Philip Mangano, the homelessness czar appointed by President George W. Bush in 2002, told Reuters. There is little time to waste. The U.S. unemployment rate is at a 14-year high and more job losses are forecast, while the Mortgage Bankers Association says nearly 1.5 million homes are in the process of foreclosure." (*Reuters*, 12 November)

TURN THE OTHER CHEEK?

"Israeli police rushed into one of Christianity's holiest churches Sunday and arrested two clergyman after an argument between monks erupted into a brawl next to the site of Jesus' tomb. The clash between Armenian and Greek Orthodox monks broke out in the Church of the Holy Sepulcher, revered as the site of Jesus' crucifixion, burial and resurrection. The brawling began during a procession of Armenian clergymen commemorating the 4th-century discovery of the cross believed to have been used to crucify Jesus. The Greeks objected to the march without one of their monks present, fearing that otherwise, the procession would subvert their own claim to the Edicule -- the ancient structure built on what is believed to be the tomb of Jesus -- and give the Armenians a claim to the site." (*Associated Press*, 10 November)

Contact Details

UK BRANCHES & CONTACTS

LONDON

Central London branch. 2nd Weds. 6.30pm. 2nd Wednesday 6.30pm. The Printworks, 113/117 Farringdon Road, London. EC1 (Nearest Underground/Thameslink: Farringdon 0.2 miles).

Enfield and Haringey branch. Thurs 6 Nov. 8pm. Angel Community Centre, Raynham Rd, N18. Corres: 17 Dorset Road, N22 7SL. email:julianvein@blueyonder.co.uk

South London branch. 1st Tues. 7.00pm. Head Office. 52 Clapham High St, SW4 7UN. Tel: 020 7622 3811

West London branch. 1st & 3rd Tues. 8pm, Chiswick Town Hall, Heathfield Terrace (Corner Sutton Court Rd), W4. Corres: 51 Gayford Road, London W12 9BY

Pimlico. C. Trinder, 24 Greenwood Ct, 155 Cambridge Street, SW1 4VQ. Tel: 020 7834 8186

MIDLANDS

West Midlands branch. Meets every two months on a Sunday afternoon (see meetings page for details). Tel: Tony Gluck 01242 235615

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Canterbury. Rob Cox, 4 Stanhope Road, Deal, Kent, CT14 6AB

Luton. Nick White, 59 Heywood Drive, LU2 7LP

Redruth. Harry Sowden, 5 Clarence Villas, Redruth, Cornwall, TR15 1PB. Tel: 01209 219293

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Cambridge. Andrew Westley, 10 Marksby Close, Duxford, Cambridge CB2 4RS. Tel: 07890343044

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J. Moir. Tel: 0131 440 0995 JIMMY@jmoir29.freeserve.co.uk Branch website: <http://geocities.com/edinburghbranch/>

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Cooking the Books 1

Keynes rides again

It is not just the ideas of Marx that the current crisis is getting people to look at again. It's also those of Keynes. In fact it now seems to be official government policy. In October the Chancellor Alistair Darling declared that "much of what Keynes wrote still makes sense" (*Sunday Telegraph*, 19 October). Then last month Gordon

Brown himself, in America for a summit of the G20, "invoked the memory of John Maynard Keynes", according to the *Financial Times* (15/16 November), proposing a typically Keynesian approach to the current crisis, right down to exactly the same terminology:

"Gordon Brown yesterday heralded an anti-recession strategy founded on tax cuts for low earners and further cuts in interest rates, in the hope that Britain will spend its way out of the downturn. Mr Brown . . . suggested that the government would use tax credits to help poor families since they were more likely to spend any money handed out. People on low income had 'a higher propensity to spend if their credits are higher', Mr. Brown said."

Keynes was an inter-war years economist who was at one time credited with having saved capitalism. He argued that capitalism did not automatically tend towards full employment and that government intervention to increase spending was needed to ensure this. He was himself a Liberal, but his ideas were embraced by all three main parties in Britain. He was particularly liked in Labour Party circles as his theories seems to justify their reformist attempt to redistribute income from the rich to the poor with their "higher propensity to spend".

As it happened, post-war Britain did have more or less full employment for twenty or so years after the war, but this was more due to the expansion of world markets than to Keynesian "demand management" policies. When, in the mid-1970s, world market conditions changed, Keynes's policies were shown not to work. Instead of stimulating a revival of industrial production they added a new problem – rising prices through currency inflation, which in turn led to periodic devaluations of the pound. In all previous slumps prices had fallen, but the implementation of Keynesian policies in the 1970s meant that they continued to rise. A new word was invented to describe the result: "stagflation".

In Britain the funeral oration on Keynesianism (Keynes himself had died in 1946) was delivered by the then Labour Party Prime Minister, James Callaghan, at the 1976 Labour Party Conference:

"We used to think that you could just spend your way out of a recession and increase employment by cutting taxes and boosting government spending. I tell you, in all candour, that that option no longer exists and that in so far as it ever did exist, it only worked on each occasion since the war by injecting bigger doses of inflation into the economy, followed by higher levels of unemployment" (*Times*, 29 September 1976).

Or, as Keynes's biographer Lord Skidelsky put it, "Then Keynesian policies suddenly became obsolete and the theory that backed it was condemned to history's dustbin" (*Times*, 23 October).

It is a sign of the desperation of Brown and his government that they have been forced to rummage through the dustbin of history for a policy to deal with the current financial crisis and coming depression. Spending your way out of a crisis was tried by the last Labour government and, as Callaghan was forced to admit, it didn't work. There's no reason to believe it will this time either.

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Five benefits of not having money

Socialist society will have no need for money. This will profoundly affect all aspects of life.



Removing money from the current economic equation would strike most people as impossible, unthinkable, absolutely imponderable. Everything we do, every transaction we make, from a simple cup of tea to sending a space probe to Mars, from birth to death and at every step in between, money has become a necessary part of getting what we require. It has become an accepted, entrenched method of acquiring anything and everything but it wasn't always so and in a genuine socialist system money will be shown to have been an unnecessary, wasteful and divisive way of ordering world communities.

When initially presented with the notion of a world without money the first imperative is the willingness to contemplate a huge paradigm shift, to put aside all familiar long-held views and preconceived notions

and to enter into an adventure of discovery that there is a place for all at the table, that it doesn't entail regression to the Dark Ages and that the welfare and progress of people doesn't have to come at cost to the environment.

1. Work



It is well recognised by experts in the health arena that work is one of the most stressful areas of life for reasons such as long hours, extended travelling time to and from place of employment, risk of job loss, lack of security of tenure including competition both within and without, inflexible working practices, difficulty getting release for major personal events such as bereavement, long-term illness of a spouse or partner, or even short-term care of a sick child. Loss of employment can put stress on the whole family, sinking it into debt, causing day-to-day difficulties with the budget and in many cases leading to loss of the home.

When money is not required in exchange for work and when, instead, all contribute their skills, expertise and/or manpower in return for open access to the requirements of life then we can begin to see a

different motivation enter the whole concept of the “work” scenario. A moneyless world will free up millions of workers now tied to some very stressful occupations dealing *only* in (other people’s) money – banking, mortgage brokering, insurance; those occupied in the collection of rates, taxes and utility payments; those in security work such as guards and armoured truck staff engaged only in protecting and moving money and other “valuables” – millions of workers who, when considered logically, currently fulfil no useful function and contribute nothing to society that improves that society.

Right now, worldwide, are millions of would-be workers who are sidelined in one way or another, without employment or scratching on the edges of a black economy and in some of the more “developed” countries we find some termed “scroungers” in current-day parlance.

Within the capitalist system there has to be a pool of workers unable to find work in order to keep the bargaining power in favour of the employers who strive to keep wage levels down, whereas if there is a shortage of suitable labour the bargaining power switches to the employees who try to force wage levels up. The fact that a few “developed” countries have systems which pay a percentage of workers to remain unemployed (receive benefits) is a price the capitalists are prepared to pay to maintain the tensions in society. Encouraging the employed to think that they are the ones subsidising the benefits system maintains one fissure within the working class. Also, allowing a large number of unemployed to be without benefits would cause too many problems for the capitalists with possibilities of mass looting, rioting and damage to their property

When all work is seen as legitimate and deserving of recognition, from the humblest occupations – collecting and sorting waste, stacking shelves in our stores, keeping the utilities working even in the worst weather, repairing our shoes – to those which are perceived as more elite – heart surgeons, ground-breaking scientists or cutting-edge technicians; when all are respected for their contribution simply by having the same right of access to the commonly produced goods, humankind will have truly developed to a higher level. This change in emphasis regarding human worth would, as a matter of course, give all the opportunity for further personal development in areas of

individual choice which leads to the second topic for consideration,

2. Increased Leisure Time



With so many extra hands on deck working hours will be able to be considerably reduced which, with the knowledge that one’s work is not tied to the ability to feed and clothe the family, to house them and provide all the other requirements of life, is to remove the stress at a stroke.

Decreased time, but working for the common good rather than increased time working only for personal remuneration. Less working time was the oft-repeated refrain in the early days of the technology era. Workers were to benefit from machine-operated production systems, computers would be able to handle many of the mundane operations previously done manually, the working week would be much reduced, maybe even leading to job-sharing and part-time employment. In fact this state of affairs never materialised and more employees found longer working hours became part of their conditions of employment, earlier agreements having been gradually eroded to the benefit of the employers.

In socialism, with millions released from wage slavery in the then redundant financial sector free to be a part of the production, distribution and services sectors, with the black economy and “illegals” no longer threatening paid workers (pay being redundant) there will be a huge reduction in individual necessary work time. When there is no profit incentive the emphasis will be on the production of quality goods from quality materials and no one need choose an inferior item based on cost. Providers of utilities such as electricity and gas, water and communications will be able to have sufficient workers to install, service, repair and develop their installations more efficiently and effectively. If there is work that no one is prepared to undertake then an alternative will need to be found democratically.

Without the constraints that

we have today the workplace will become a different place, one of cooperation not competition, where we work for the benefit of all, not for the profit of a few. The lines between work and leisure may well be much more blurred than in today’s scenario. People will have *time*, time to be creative, to learn different and multiple skills and to enjoy the time they spend working. Leisure activities seen as hobbies now – vehicle maintenance, gardening, DIY home improvements, baking, the making of all kinds of hand-made items, giving or receiving educational and training courses – could well form part of one’s service to the community, bringing a greater satisfaction and contributing to individual development generally, one of the aims of socialism. With more leisure time available it is also highly likely that more ‘work’ would be created in the leisure area, whether sports complexes, theatrical and music productions and educational courses in the widest sense and with unlimited opportunities for the active participation of those who choose it.

3. Housing



Adequate shelter, a “right” for all enshrined in the United Nations Charter, is still unavailable to millions (billions, probably). There is absolutely no automatic right to housing within the capitalist system. All must pay. To pay, all must work. It is no matter that you work long and hard and that your children work long and hard and don’t go to school. All that matters is that you have enough to buy or rent or build. Maybe you did have enough before the housing market bubble burst and the “worth” of your house went down while the interest rates went up. Well, tough! Look around you. See the empty houses and FOR SALE and foreclosure signs. These people must be living somewhere now. There is always housing stock available – if you can pay the going rate.

This is one very obvious benefit of not having money. The recent economic crisis has focussed many home-owners’ minds. Why should anyone be secure one month and the next find themselves in queer street? Can *anybody* justify one



individual's multiple home ownership while others live in slums, in cars, in cardboard boxes on the streets? Please! When the majority of us have eventually decided that this scenario is unacceptably obscene we can at last begin to move to a humanitarian way of ordering our societies. Housing for all. Decent housing for all. Materials that are free and belong to all of us. Our architects, builders, plumbers, plasterers, electricians, etc. etc. will all work for free – they also need homes to live in. New housing can be built to the best specifications using appropriate materials, incorporating adequate insulation and services with regard to environmental protection and best use of alternative energy.

Respect for people and respect for the environment. Decisions made democratically as to best use of urban space vacated by the money businesses; by communities wanting to refurbish or upgrade their older stock. The balance between urban and rural will no doubt change. In some parts of the world there will be a mass exodus back to productive farmland, reclaimed for local use and consumption rather than continuing to grow cash crops for export. Decisions will be taken based on the well-being of communities and determined by the requirements of those communities and there will be no constraints or limitations linked to profit for a third party.

4. Health care



As a result of huge stress reduction, no more worrying about salary or wages from the job, no more worrying about keeping up the payments on the house, increased

leisure time – all these various factors will surely result in improved relationships all round and, quite soon, a healthier workforce.

At present there are huge variations in standards of health care around the world and also massive discrepancies in availability and monetary cost to the recipients, Universal health care simply does not exist. Again it is tied in to the ability to pay. Let's remove this barrier to good health and care of the sick by removing the money element and offer all services, treatments, drugs and medicines free of charge. Hospitals and clinics then will be free of top-heavy budget management and will be able to access resources, whether manpower, equipment or drugs, according to their requirements and not limited by financial constraints. Medical researchers, now mostly tied to global corporations and limited by them in the areas of their research, will be able to concentrate on eradicating disease and providing the best remedies for all comers, not just those with insurance. World diseases such as malaria, tuberculosis and polio will soon be a thing of the past when money, too, is history.

Work and training in one of the many varied avenues of health care will be open to those from the pool of post-money redundant sectors. With the shift from a market economy to societies geared to fulfilling human needs there will probably be more priority given to preventive medicine and appropriate information on suitable diet and healthy living, which leads us to consider the topic of food.

5. Food



Currently the growing, processing and distribution of food is largely dominated by transnational corporations solely in the pursuit of profit. The consumer appears to have a huge choice of goods and numerous decisions to make at each aisle of the supermarket but often the choices are superficial, not

actually the choices being sought. For instance, notice the difficulty of buying a processed food which doesn't contain soya. The soya has probably been genetically modified and the labelling could be unhelpful. The choice becomes buy in ignorance or acceptance, or do without.

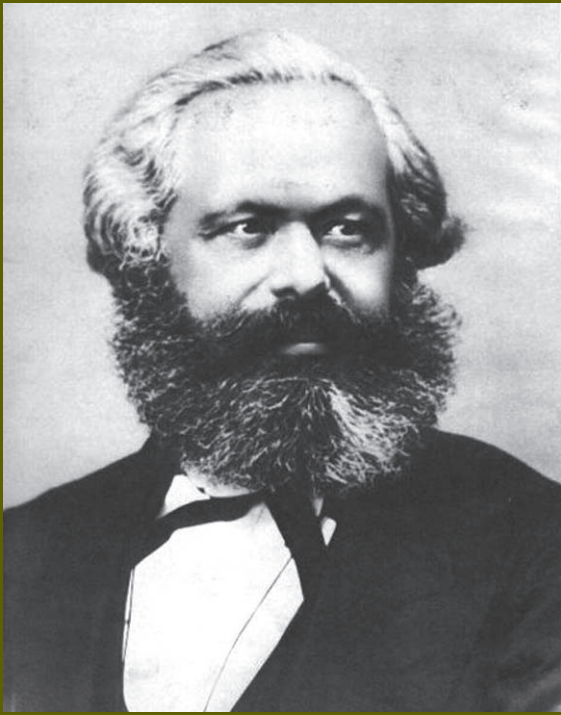
It's well known that products are laced with added sugar, salt, monosodium glutamate etc. to create a certain dependency and craving for more. Last year's problems of melamine-laced pet foods which caused animal deaths in the importing countries were followed this year by melamine-laced milk products causing infant deaths and multiple illnesses in China, spreading fear to importing countries. There can be only one reason for food to be contaminated deliberately (apart from a mass assassination attempt or the desire to spread fear among the population) and that is in the pursuit of greater profit.

Africa, a net exporter of food until the post-colonial days of the 1960s, became a victim again, indebted to the World Bank and IMF. Recipient of highly subsidised dumping of food from rich countries (US and Europe) the result has been that the countries there have to grow cash crops for export in order to pay off some of the growing debt creating food shortages for the domestic population, many of whom had been forced off ancestral lands (for the growing of cash crops) and who were then without the means of subsistence. There have been a number of studies which reveal there is no problem feeding a world population considerably larger than today's. There is an enormous wastage of food in the rich world. The major problem for the hungry in the poorest countries is lack of cash.

Food, if regarded simply as fuel for the body, should be clean – free from contaminants, chemicals and the like; fresh – the more local the better; and nutritious. Free food for all would come with the bonus of knowing there would no longer be any incentive to adulterate ingredients. The question of "FAIR TRADE" wouldn't arise as all along the line farmers, producers, pickers, packers and distributors would have the same motivation to provide good clean food knowing they have the same access as the consumers. This has to be a win-win situation. Another winner in this scenario would be the environment.

JANET SURMAN

Next month, five more benefits from not having to have money.



The return of Karl Marx

A German publisher has reported that sales of Das Kapital have increased dramatically.

Marx is again enjoying something of a revival. After his views on the globalising tendencies of capitalism, it is now his theory of crises that is attracting interest and being discussed in the media. Unfortunately not always accurately. For instance, in an article headlined “BANKING CRISIS GIVES ADDED CAPITAL TO MARX’S WRITINGS”, Roger Boyes, the Berlin correspondent of the *Times* wrote (20 October):

“Marx’s new relevance relates mainly to his warning about the creation of an exploitative capitalism that ends up destroying itself: ‘An over-expansion of credit can enable the capitalist system to sell temporarily more goods than the sum of real incomes in created current production, plus past savings, could buy,’ said Ernest Mandel, the Marxist scholar, quoting his guru, ‘but in the long run, debts must be paid’. Since these debts cannot be automatically paid through expanded output and income, capitalism is destined for a ‘Krach’ - Marx’s word for a crash.”

If the suggestion is here, as it seems to be, that it was Marx’s view that capitalism will end up destroying itself in one big Krach, then it is wrong as Marx never argued that there was some flaw in the economic or financial mechanism of capitalism that would lead to it collapsing for purely economic reasons. In his view, as expressed in the last-

but-one chapter of *Capital* on “The Historical Tendency of Capitalist Accumulation”, capitalism would come to an end by the working class becoming more and more organised and eventually expropriating the expropriators and ushering in a society based on “co-operation and the possession in common of the land and the means of production produced by labour itself”. In the meantime capitalism would continue being subjected to an ever-repeating cycle of boom and slump, with each boom ending in a Krach which would eventually create the conditions for a recovery of production and the next boom . . . and the next Krach.

The following day the *Times*2 section of the paper had a full-page photo of Marx on its front page saying “He’s back. Does the financial crisis prove that Karl Marx was right all along?”. The main article, by a Philip Collins, was just silly, but some of those asked to comment did have something sensible to say, in particular Mick Hume (introduced as “The *Times*’s libertarian Marxist columnist, launched and edited *Living Marxism* magazine 20 years ago”) who said on this issue:

“Marx was right to identify and analyse the tendency towards crises within capitalism, but he did not predict the system’s ‘inevitable’ collapse. Today too many people who have never read or understood Marx are trying to turn him into

an anti-capitalist Nostradamus who supposedly predicted it all, a soothsayer rather than revolutionary social scientist. Marx always emphasised that the resolution of a crisis would ultimately depend on political factors: that man makes his own history, although not in circumstances of his own choosing.”

Hume has come a long way since, as the Trotskyist editor of what we used to call *Dead Leninism*, he advocated that workers should follow a vanguard party.

One of the others asked to comment was the Labour MP John McDonnell who proposed that “*Das Kapital* and *Wages, Prices and Profit* should be issued to all government ministers as the definitive guides to the causes of capitalism in crisis”. He also recommended a book by Ernest Mandel and another by David Miliband’s father who considered himself a Marxist. If he re-reads *Wages, Prices and Profit* himself he will see that Marx urges workers to adopt the revolutionary watchword “Abolition of the Wages System”, which is the last thing the party he represents in Parliament wants.

Mandel was in fact writing above only about credit crises, not economic crises. And he wasn’t quoting from his “guru”. The passage Boyes quotes is not from Marx but from Mandel (see <http://isg-fi.org.uk/spip.php?article140>). Mandel, who died in 1995 was another Trotskyist, the

leader for many years of one of the many “Fourth Internationals”, did, despite this, have a grasp of Marxian economics (at least, as applied to the West since he mistakenly thought Russia wasn’t capitalist). Even so, it is not clear that Marx would have expressed himself in the same terms. For instance, credit - if it is genuinely credit and not just the issue of more paper currency by the central bank - can’t exceed “past savings” plus savings from “real incomes created in current production” since these are precisely the source of any credit, i.e. of the money that is loaned.

Of course debts do have to be repaid and if for some reason (such as overproduction in relation to the market for some key product) they can’t be, the banks and other financial institutions will be in trouble and a financial Krach or, as we say nowadays, a credit crunch will result. Marx wrote quite a bit about these and, to give Boyes his due, he recognises this even mentioning the articles Marx wrote in the *New York Daily Tribune* in 1857 on “The Financial Crisis in Europe” of that year.

But then he goes on:

“In the manifesto, published in 1848, he lists the ten essential steps to communism. Step five was ‘Centralisation of credit in the hands of the state . . .’

It is true that one of the ten immediate measures, listed at the end of section two of the *Communist Manifesto*, that the Communist League of Germany advocated should be taken if political power in

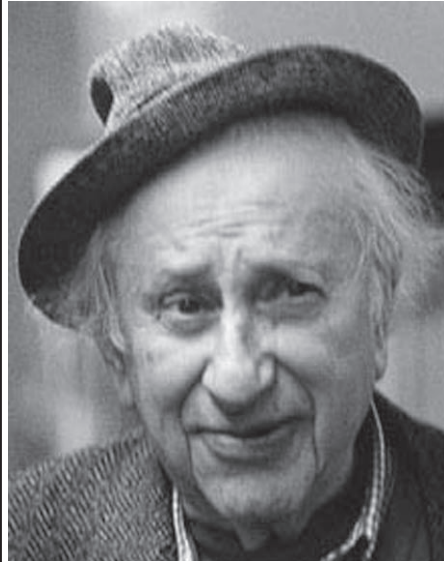


Ernest Mandel

Germany was to fall into the hands of the working class in the course of the anti-feudal and anti-dynastic revolutions of 1848, did include

“Centralisation of credit in the hands of the State, by means of a national bank with State capital and an exclusive monopoly”.

Studs Terkel, a prolific American writer and broadcaster over several decades,



died at the end October at the age of 96. His style and approach is well illustrated by the sub-title of his 1975 book *Working: People talk about what they do all day and how they feel about what they do*. Besides the subject of work, he dealt with leisure, family and education, culture and sub-culture. An article partly based on his writings appeared in the *Socialist Standard* for August 2003.

Some of Terkel’s nine thousand interviews — especially the broadcast ones — were with celebrities of various kinds. But his books were mainly about the life experiences of everyday men and women. He quoted these graphic words of an assembly-line worker: “I stand in one spot, about two or three feet area all

But there was no chance of the working class gaining control of political power at that time, as Marx and Engels later came to realise. In their preface to the first reprint of the pamphlet in 1872 they wrote that “no special stress should be laid” on the ten proposed measures which had “in some details become antiquated”. So to describe them today, in 2008 over a 150 years later, as “the essential” “steps to communism” is absurd.

No doubt the working class, when it does come to win control of political power, will have to have drawn up a programme of immediate measures, but they won’t include setting up a single State Bank as, given the development of the forces of production, society can now move straight to socialism (or communism, the same thing) where there will be no need for banks as there will be no need for money. What the manifesto elsewhere called “the Communistic abolition of buying and selling” can now be achieved immediately.

ADAM BUICK

night . . . it don’t stop. It just goes and goes. I bet there’s men who lived and died out there, never seen the end of that line.” Or again: “They give better care to that machine than they will to you . . . If that machine breaks down, there’s somebody out there to fix it right away. If I break down, I’m just pushed over to the other side till another man takes my place. The only thing they have on their mind is to keep that line running.”

Terkel also captured people’s memories of the Depression years and the Second World War. Again and again the themes of solidarity and sharing shine through amidst the destitution and suffering. A woman born in 1911 recalls the ‘20s in a mining town in Illinois: “we’d go out picnics, we’d go out fishing, all families. Everything for the picnic. And then when you went to the picnic, there was no money exchanged, no commercial, everything like one big family. They’d cook a pot of mulligan stew and everybody’d share out of that. That was a picnic. Today you go on a picnic, what is it? It’s commercial. You buy your ticket, you buy your popcorn, you buy your beer. If you haven’t got a fistful of money, you haven’t got no picnic.”

As Oliver Sacks once said, “There is no one in the world who can listen like Studs Terkel.” Reading his books provides an unforgettable picture of working-class American life and shows that, contrary to what may sometimes appear, American workers are dissatisfied with their lot and more than prepared to fight for better times.

IMAGINE

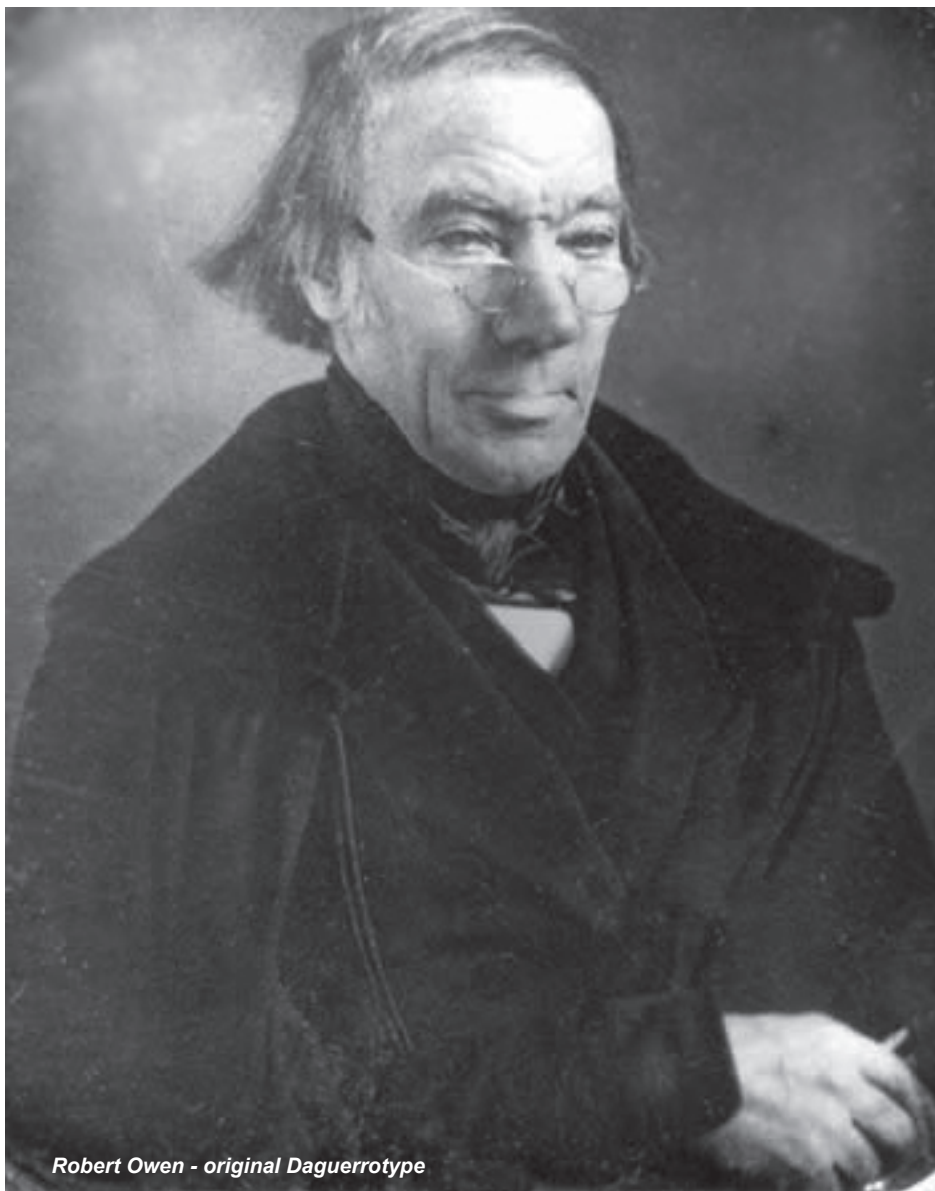
The Fall 2008 issue of the journal of the Socialist Party of Canada has now arrived. A copy can be ordered for £1 (cheque made payable to “The Socialist Party of Great Britain”) from the Socialist Party, 52 Clapham High St, London SW4 7UN.

Labour, Lib-Dem, Tory



The Socialist Standard examines their case

Robert Owen: paternalist utopian



Robert Owen - original Daguerrotype

This year marks the 150th anniversary of the death of Robert Owen. The Owenites introduced the word "socialism" but Owen himself always opposed the class struggle.

Owen's key idea, indeed perhaps his only one, was: "Man's character is made for and not by him". He thought that it was therefore possible to give a person any character you like. He was, in short, a 'man moulder'.

Robert Owen was born in Wales. He had little formal education but through hard work and nous (including marrying the boss's daughter) soon became a big cheese

in the cotton spinning business. In 1800, at the age of 29, he moved to New Lanark in Scotland.

This was the real era of the dark satanic mills. Sans unions and sans factory legislation, the workers toiled endlessly for a measly pittance, existing in a degraded condition in filthy slums. Owen took New Lanark (which it must be said was even at the start one of the better mills) and made it a model factory estate. Nice Mr. Owen became well known as a genial entrepreneur and benevolent philanthropist. At his factory at Lanark he improved hours and conditions, introduced schooling, and banned 'morally harmful' out of hours activities (outlawing pubs and books and fining extra-marital

sex). He raised the minimum working age from six to ten years. Entertainment for his workers was a little harmless music, some dancing and physical jerks. Military drill was introduced to "give them an erect and proper form, and habits of attention, celerity, and order". In addition "firearms, of proportionate weight and size for the age and strength of the boys shall be provided for them". A key element in the workplace was the public display of a block showing the behaviour of the individual (shades of Maoist self-criticism). This was said to be character building but also produced a disciplined and productive workforce. (All quotes are from *A New View of Society* Owen's account of New Lanark).

The aim at New Lanark was made absolutely clear in a letter from Owen to *The Times* in 1834:

"I believe it is known to your lordship that in every point of view no experiment was ever so successful as the one I conducted at New Lanark, although it was commenced and continued in opposition to all the oldest and strongest prejudices of mankind. For twenty-nine years we did without the necessity for magistrates or lawyers; without a single legal punishment; without any known poors' (sic) rate; without intemperance or religious animosities. We reduced the hours of labour, well educated all the children from infancy, greatly improved the condition of the adults, diminishing their daily labour, paid interest on capital, and cleared upwards of £300,000 of profit." (quoted in GJ Holyoake's *History of Cooperation*).

Like Lord Leverhulme at Port Sunlight, Owen found that treating your workers better makes better workers which makes better profits. The rest of Owen's life was an attempt to recreate the Lanark Mills experience on a large scale. True later on for different reasons. But Owen never really understood that at New Lanark he was able to impose 'nice' upon his workers by their very status as workers.

The end of the Napoleonic Wars brought a period of crisis including

mass unemployment. This resulted in a high poor rate. Owen, being a businessman, sought to lower this with a plan for solving unemployment. Again this was the 5 percent philanthropy at work. Concern for the suffering was tempered by profit making – in the form of a lowered tax burden. Some time around 1817 this tax plan became a general scheme for the changing of society.

Essentially society was to be transformed by means of experimental communities. These self-contained and self-supporting complexes were to be built as grand squares, the parallelograms. In the communities the precise form of ownership of property was left open, leaving the way open for ‘community of goods’. However Owen was averse to this. Economics, like the precise form of internal administration in the colony, was unimportant. Education was the key to Owen’s scheme and its purpose was to mould the individual into an ideal social character. Finance was to come by an appeal to the rich and influential. Such was not forthcoming. Owen blamed his failure on his relatively mild criticism of the established church and the family. Doubtless this had some effect but the rich really had no particular interest in solving the problem of poverty. So far as they were concerned the poor could rot.

From 1824 Owen poured his own money into setting up a community in America. New Harmony, in Indiana, failed within a few years, essentially due to lack of discrimination in choosing occupants (the great problem of freeloaders). Without the power that goes with being a factory owner, Owen was unable to make the communists behave as he wished, particularly as, despite his own high opinion of himself, he was not a particularly good organiser, often leaving deputies to deal with problems while he swanned off for parties with the wealthy (Owen was always fond of the Great and Good, dedicating the *New View* to the appallingly corrupt Prince

“Essentially society was to be transformed by means of experimental communities”

the anti-combination laws to set up trade unions. These were as yet little more than local self-help clubs, often carrying out some form of cooperative trading venture. Many of those involved looked to Owen as a source of inspiration. Owen himself had lost virtually all his money and whatever slight influence he may have had amongst the wealthier classes. Bandwagoning a little, he began to associate himself with the various self-help schemes – co-operatives, barter schemes and trade unions. Although so far as he was concerned these were only of use in ‘preparing the public’s mind for community’, this short period (1829-34) was the making of Owen as a figurehead of the old Left.

Within a short time Owen had set up his own cooperative (Association for the Promotion of Cooperative Knowledge), union (Grand National Consolidated Trades Union) and labour exchange (National Equitable Labour Exchange) organisations. The latter functioned as an extension of the cooperative store, surplus coop produce forming the basis of its activities. Essentially goods brought in were valued by a committee and a note issued indicating the amount of labour required to produce the item. This could then be exchanged for other goods in the bazaar of the same labour time value.

The various groups were viewed as fund raisers and mind openers – fronts in modern parlance – rather

Regent).

When Owen returned to Britain in 1829 after the dismal failure of his American experiment, he found the situation somewhat altered. Throughout the country the working class was making use of the repeal of

than useful in themselves. Strikes were certainly not on Owen’s agenda. And when the true class war came to a head in the summer of 1834, Owen bailed out, disassociating himself from the GNCTU. Extreme pressure from employers led to the failure of the union, which brought down in its wake the cooperatives and labour exchanges. The latter were probably fatally flawed in any case due to their limited ability to satisfy needs, most goods making their way there being unsaleable on the open market.

In 1835 Owen renewed the attempt to found a community. This time the attempt was made through a distinctly working class body. This was variously named the Association of All Classes of All Nations (1835-39), the Universal Community Society of Rational Religionists (1839-42) and the Rational Society (1842-46). At its peak in 1841 there were 70 or so branches spread throughout Great Britain. In key centres, such as Manchester and London, meeting halls were built (the Halls of Science) and regular indoor and outdoor propaganda meetings held under the auspices of ‘Social Missionaries’. By late 1839 the efforts bore fruit with the opening of a community at Queenwood in Hampshire. This became known as Harmony.

Harmony was however distinctly unharmonious. Owen regarded the whole enterprise as a means towards the perfection of humanity, a great experiment in making people nice. The workers however saw Owenism in general and the community in particular, as a way of abolishing their own poverty. Conflict was inevitably the result, with control of the enterprise swinging back and forth between the paternalist Owen and the self-organising proles. The true downfall of Harmony however was really Owen’s responsibility. Having selected a hopeless site in the chalk uplands, he proceeded to build a



New Lanark Mill

hopelessly ornate 'super workhouse', burdening the society with unsustainable debts. In the summer of 1845 Harmony was sold off. Further details of the Harmony scheme can be found in Edward Royle's excellent *Robert Owen and the Commencement of the Millennium* (Manchester University Press, 1998).

Historically the attitude to the Owenites of the 1830s and '40s has been determined by the semi-religious millennial language that was used and group dismissed (e.g. by GDH Cole) as nothing more than a sect. Although there were elements of this, Owen as the secular saviour leading his chosen people to the glorious paradise of Community, the reduction is a rather unfair slur. Many contemporary organisations, including the Chartists, used flowery language. And the image of Owen as unquestioned leader was certainly far from the truth.

Owen has further been criticised for paying no attention to the main mass movement of the day – Chartism. Chartism was a movement for political democracy and as such was irrelevant to Owen's aim – setting up experimental communities. It must also be said that so far as the starving worker of the day was concerned the issue of mere possession of the vote in itself would not have brought them food. The demand for the ballot was resisted by the upper class largely because it was believed anti-capitalist measures would follow in its wake. Owen recognised, unlike most Chartists, that political democracy is not the solution in itself to capitalist misery. He did not however recognise that it could be a means to this very end.

After 1845 Owen went into a form of retired senility. Seances, bumreadings and other such garbage were the order of the day. Perhaps his greatest contribution of these years was his autobiography *The Life of Robert Owen by Himself*, published in 1857. Although obviously biased it is a great from the horse's mouth source.

The principal practical result of Owen's life was the setting up of utopian communities. The Owenite communities, both the official ones detailed above and the numerous examples in which Owen had no hand, failed to demonstrate Owen's theories of character formation, which was of course their main aim, because they never became properly established. What they do demonstrate however is how easy it is for such a community to fail. And since such communities would primarily be a demonstration of cooperation, providing a haven for a few from capitalism, the amount of enthusiasm and resources invested was surely wasteful.

Perhaps surprisingly, although Owenism was unfruitful in achieving its specified aims its by-products were far from inconsiderable. The Rochdale Pioneers, founders of the modern cooperative movement, were Owenites and the modern secularist movement can also trace its ancestry back to the Owenite movement of the 1840s.

The importance of the Owenites is that they marked a watershed; for the first time a complete change in the nature of society was contemplated by a section of the working class. We also owe them our name. Although previously in use, the name 'socialism' was adopted by the Owenites in 1837 to describe their aims and within a few years Owenism and Socialism were synonymous. The connection was so strong that Marx and Engels were forced to have a Communist Manifesto rather than a socialist one. The meaning of the phrase has altered much since then, primarily due to the influence of Marx and Engels, however the underlying assumptions of Owen and the Owenites that human nature is not eternally fixed and therefore a better world is possible remains the basis of socialism.

KAZ



The myth of magic money

One thing that the current banking crisis has done is to explode the myth about banks being able to create credit, i.e. money to lend out at interest, by a mere stroke of the pen. Events have clearly

confirmed that banks are financial intermediaries which can only lend out either what has been deposited with them or what they have themselves borrowed or their own reserves. As the US Federal Reserve put it in one of its educational documents:

"Banks borrow funds from their depositors (those with savings) and in turn lend those funds to the banks' borrowers (those in need of funds). Banks make money by charging borrowers more for a loan (a higher percentage interest rate) than is paid to depositors for use of their money." (<http://www.federalreserveeducation.org/fed101/fedtoday/FedTodayAll.pdf>. p. 57)

Actually, banks don't just borrow from individual depositors, or "retail". They also borrow "wholesale" from the money market. It is in fact the difficulties they have experienced here that has revealed that they cannot create credit out of nothing.

Because some banks had burnt their fingers by buying securities based on sub-prime mortgages in America, other banks were reluctant to lend on the money market for fear that the borrowing bank might turn out to be insolvent. Which meant that one source of money for the banks to re-lend to their customers had shrunk. Or at least had become too expensive as interest rates had risen too high compared with the rate banks could charge their borrowers to allow them to make a profit or enough profit. So, deprived of this source of money, the banks had less to lend out themselves. Which of course wouldn't have been a problem if they really did have the power to create money to lend out of nothing.

But at least one person was unable to see what should have been obvious. On 15 October the *Times* printed a letter from a Malcolm Parkin, in which he wrote:

"Only 3 per cent of money exists as cash. Therefore the rest is magic money conjured into existence, and issued as debt by banks, at a ratio of about 33 magic pounds to 1 real pound, by the quite legal means of fractional reserve banking. In a rising market, it follows that anybody able to create such money, at such a ratio, can soon get rich."

The "fractional reserve" he mentions is the proportion of retail deposits that a bank keeps as cash to handle likely withdrawals. Fifty years ago in Britain it was 8 percent. But, as banks resorted more and more to the wholesale money market to get money to re-lend, the percentage of cash to loans became almost irrelevant. Parkin's figure of 3 percent is the percentage of cash banks hold compared to total loans, including those based on money borrowed from the money market (which even on his definition is not "magic money").

What a "fractional reserve", or "cash ratio", of say, 10 percent means, is that if £100 is deposited in a bank that bank has to keep £10 as cash and can lend out £90. Parkin has misunderstood this to mean that a bank can lend out £900 - and charge interest on it. Easy money, as he says, if it were true. But it isn't.

The theory of "fractional reserve banking" is that an initial deposit of £100 can lead to *the whole banking system*, but not a single bank, being able to make loans totalling £900. The argument is that the initial £90 will eventually be re-deposited in some bank (not necessarily the bank that made the loan), which can then lend out 90 percent of this, i.e. £81, which in turn will be re-deposited, and so on, until in the end a total of £900 has been loaned out.

This is theoretically the case as one of the key features of capitalism is that money circulates, but what the theorists never emphasise is that this is based on the assumption that the same money is used and re-used to create *new* deposits. If this does not happen then the process cannot work or continue. So, the banking system has not created any "magic money" out of nothing. It is still dependent on individual banks only being able to lend out what has been deposited with them or what they themselves have borrowed – they cannot magically lend out vast multiples of this, as poor Malcolm Parkin assumed.

ELEC-TRICKERY

available for lease in Southern California following the 1990 ZEV mandate

Catweazle was a television comedy series produced by London Weekend Television in the early 1970's. The series was conceived, and written by Richard Carpenter and ran for two seasons starring Geoffrey Bayldon as the irrepressible Catweazle. If, like me, you grew up in the constant presence of Doctor Who and the Goodies it is very likely you will also have fond memories of this well written and charming series.

Catweazle was a magician, who lived in the eleventh century, but however hard he tried, his spells hardly ever worked. One day was different. When Norman soldiers tried to capture him, in desperation he used magic to escape, and it worked! The only trouble was that instead of flying through space to flee his pursuers, he flew through time. Catweazle finds himself nine centuries into the future. Being a magician, everything he experiences in the twentieth century such as motor cars, telephones ("telling bone"), and electric light ("electricrery"), he believes is the result of magic. This basic premise and Catweazle's quest to return to his own time, drives much of the humour in the series as Catweazle finds himself in situations that often become, well, hilarious.

Catweazle came to mind following the Socialist Party's recent showing of the film "Who Killed the Electric Car", as part of its season of free film evenings exploring issues and problems affecting our daily lives. This documentary covers the history of the battery electric vehicle: its birth, limited commercial development, and subsequent death, focusing mainly on the General Motors EV1 which was made

of the California Air Resources Board. It also explores the role played in limiting the technology's development and adoption by the US and Californian governments; manufacturers of conventional automobiles, hydrogen vehicles, and batteries; the oil industry; and of consumers, whilst also considering the implications of these events for Middle East politics, environmentalism, air pollution and global warming.

Electric car technology has been around for a long time: the first crude electric carriage was invented by Scotsman Robert Anderson in about 1889 and the electric car subsequently caught on in the US, enjoying success into the roaring 1920s with production peaking in 1912.

Its decline was brought about by several major developments. By the 1920s America had a better system of roads that now connected cities, bringing with it the need for longer-range vehicles. The discovery of Texan crude oil reduced the price of gasoline making it cheap and affordable to the average consumer. The initiation of mass production of the internal combustion engine as developed by Henry Ford (Fordism) made these vehicles widely available. And electric vehicles, by and large, were made with expensive materials the cost of which continued to rise: in 1912 an electric roadster sold for \$1,750 while a gasoline car sold for \$650.

Human-induced air pollution has been around at least since humans discovered fire; and everyday five hundred million car exhausts blow out some very nasty emissions as well as CO₂, in fact

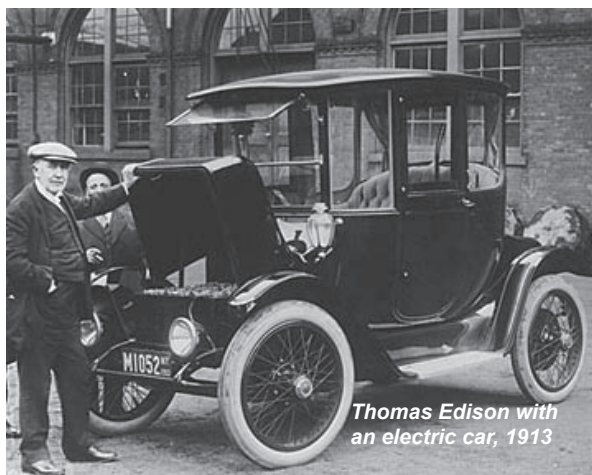
roadside emissions are if anything on the increase. Traffic pollution has been blamed for tens of thousands of deaths every year. The *Lancet* has estimated that 6 percent of all deaths per year are due to air pollution. Half these deaths, it says, were linked to traffic fumes. In Britain researchers estimate that traffic fumes were responsible for more than 25,000 new cases of chronic bronchitis and more than

500,000 asthma attacks. Asthma is a chronic disease, in which sufferers have repeated attacks and difficulty in breathing and coughing, which is becoming common place amongst children. In Britain the cost of treating illness associated with traffic pollution amounts to 1.7 percent of the gross domestic product, exceeding the costs arising from traffic accidents.

California has almost perfect conditions for photochemical smog with the necessary ingredients: the type of pollutants put out by cars, and abundant sunshine. So here at least you would have thought the introduction and development of General Motors EVI would have been rationally embraced.. California already leads in electricity generation from hydroelectric power, that accounts for close to one-fifth of State electricity generation, and non hydroelectric renewable energy sources, such as wind, geothermal, solar energy, fuel wood, and municipal solid waste/landfill gas resources. (Interestingly, due to strict emission laws, only a few small coal-fired power plants operate in California, and the Mojave Desert is said to be one of the best sites in the United States for solar power plants. A facility known as "The Geysers," located in the Mayacamas Mountains north of San Francisco, is the largest group of geothermal power plants in the world, with more than 750 megawatts of installed capacity.) These resources could have been harnessed to support the EVI, an emissions free vehicle. But we don't live in a rational or even a remotely reasonable world. Profit and greed of the market are both master and ruler today.

Just ask yourself what sort of a world is it where up to one billion people worldwide consume less than the minimum critical daily caloric intake needed to avoid hunger. In Africa in particular, hunger and disease are a vicious cycle. Hunger, along with many other effects causes the immune system to weaken, making the body more susceptible to other diseases. What kind of a world denies millions the medication to fight off illness and disease? What kind of world is it? Rational and Reasonable? Who killed the Electric Car?

The killers of the electric car are roaming the planet freely plundering it of its resources and all for profit – they will destroy a rain forest, pollute a river and poison the sea let alone empty an oil well or kill a car if there is a profit in it. It's not "Electricrery." NL



Thomas Edison with an electric car, 1913

Why we need a theory

Towards a better understanding of the world, in order to change it.

The world we live in is a world of contradictions. The environment is in a state of decline, yet industry continues to pump pollutants into the atmosphere whilst non-polluting technologies are neglected. Thousands starve, while food stocks remain unused. We can communicate with strangers from all around the globe, yet no-one knows their neighbour. Automation could free us from involuntary labour, yet we are chained to the machine. We live amongst vast material possibilities, yet poverty is the universal experience – not just in the narrow economic sense but also in terms of the quality of lived experience. “Never in history has there been such a glaring contrast between what could be and what actually exists” (Ken Knabb, *The Joy of Revolution*).

Central to all these contradictions and reshaping all previous antagonisms is the global commodity-capitalist system. A system characterised by the production of commodities, wage labour and the market economy. A commodity is what is produced by the worker under capitalist conditions, its purpose to reproduce and enlarge capital (stored surplus value). The pursuit of ever increasing profits is the driving force behind the whole process – the fulfilment of people’s needs is a secondary and not always occurring result.

Commodities are only available in exchange for other commodities, money being the universal commodity and measure of all others. Since all goods have been turned into commodities and access to non-commodified materials restricted, those without the means of producing anything to exchange must sell the only thing they have, their physical or mental labour-power. The logic of the market economy treats this labour like any other commodity; to be bought, sold and discarded as the market dictates. In effect the worker becomes a commodity. This transformation of living activity into an object creates an alienated or estranged world in which humankind does not recognize or fulfil itself, but is overpowered by the dead things and social relations of its own making.

Capitalist society is therefore split into two camps, the bourgeois or capitalist class (those who own and control the means of production – the land, equipment, machinery, buildings and raw materials necessary to create the things we

need and use every day) and the proletariat (those with “nothing to lose but their chains”), broadly speaking the “modern working class” including the unemployed and unemployable. However the proletariat is not to be understood as a sociological category of people in such-and-such income group and such-and-such occupations, but as a social relation of capitalism. It is all those who have little or no means of support other than selling their physical and mental labour-power. The proletariat is the only class capable of ending class society, as it produces the material conditions of its own enchainment. However, both classes are subject to the laws of the market economy – our concern is with the social relation capital not the individual capitalist – the functionaries of capitalism are more and more disposable as individuals. While the rag-wearing

classical proletariat of Marx’s time has all but disappeared, at least in the developed countries, the fundamental division remains; power and wealth are becoming more rather than less concentrated under the control of a small minority. The modern proletariat is almost everyone; it is the working class which must destroy both alienated work and class.

The “official” history of the working class’s struggle against capitalism is an inversion, what is presented as its greatest triumphs are in reality its most bitter defeats; Leninist “Communism” in the East and reformist “Socialism” in the West were both expressions of a general movement towards state-capitalism. The greatest tragedy of

these times is that in the minds of the vast majority of workers the project for the dissolution of the commodity economy became associated with its exact opposite. “So the light darkened that had illuminated the world; the masses that had hailed it were left in blacker night... By usurping the name communism for its system of workers’ exploitation and its policy of often cruel persecution of adversaries, it made this name, till then expression of lofty ideals, a byword, an object of aversion and hatred even among workers” (Anton Pannekoek, *Workers Councils*).

Though the call for a new society was never thoroughly extinguished; small and often profoundly isolated groups and individuals arguing the case for a social reorganization to bring free access and control of the means of production into the hands of the whole of humanity. “From each according to ability, to each according to need!”

The creation of such a society has two preconditions; firstly that technological production techniques have been sufficiently developed to be able to fulfil the material needs of the whole of society and secondly, that the majority of the population have an understanding of what needs to be done and want to carry it through. Revolutionaries are painfully aware that the first requirement has long since been reached but that the second is still far from being realized.

If we are to avoid repeating the mistakes of the past it will be necessary to develop a theory of revolutionary practice, a theory which seeks to “get to the root of all things” and improve them. It is not a matter of choosing from one of the pre-existing ideologies of the old workers movement and basing our world view around it, but a matter of finding the “moment of truth” in all the theories of the past and synthesising this with our experience of the present.

“Theory itself becomes a material force when it has seized the masses” (Karl Marx, *Contribution to the Critique of Hegel’s Philosophy of Right*).

DARREN POYNTON



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Book Reviews

Manufactured scarcity

Green Capitalism. Manufacturing Scarcity in an Age of Abundance.

By James Heartfield. www.heartfield.org 2008. £7.50



James Heartfield is associated with the former Trotskyist (British) Revolutionary Communist Party (RCP) which used to publish *Living Marxism* (LM)

and has moved on considerably since "the collapse of Communism" at the end of the 1980's and the dissolution of the formal RCP organisation in 1997. These days the so-called "LM network" produces the edgy www.spiked-online.com website and organises debates and events under the auspices of the Institute of Ideas and a myriad of propaganda campaigns expedited largely through a robust, sometimes entertaining, and not ineffective style of media entryism.

One area this current has been particularly interested in over the last two decades is in promoting a full-on critique of the reactionary imperatives of the politics of "Environmentalism". In *Green Capitalism* James Heartfield reminds us that the profit system is essentially a system of rationing, which is now, in certain circles and in a variety of ways, being dressed up as "greenwashing" by Big Business and Governments – as the contemporary ruling elites reinvent scarcity in an age of abundance.

Heartfield rightly presents the capitalist mode of production as an epoch in which the force of human ingenuity has sought to ameliorate the exigencies of life through technical breakthrough with the result that happiness is the condition for most of us in Western societies. I do, however, take issue with the notion that one out of any of the 300 workers at the Lombe silk works on the Derwent in 1721 or the 5000 wage slaves at Arkwright's Mill in Cromford in 1771 woke up for work every day with a sense of unmitigated joy. Whilst those long deceased exploited workers are no longer "variable Capital", my modern-day neighbours don't seem to enthuse much about the conditions of their means of living whilst having a sup

on a Friday night in the local pub, either. Nevertheless, the material gains we have made in the interim between the first factories and 21st century capitalism are impressive.

In a summation of capitalist economics Heartfield tackles the neo-classical economists and suggests they were in effect "Rationers by Trade" (my phrase not his) but you get the point. Notwithstanding that, the book opens with a great sense of optimism and opines succinctly upon the gains made by the working class under capitalism. The author explains carefully the concomitant progressive and destructive forces at play within the profit system and hints at transcending towards a more rational form of society founded upon technological progress.

This work sets out to show how modern Environmentalism came about as a consequence of ruling elites ideas about scarcity. Heartfield's argument is that, in Western society, the myth of the "fragile" planet emerged as a consequence of the retreat from production in the original heartlands of industrial capitalism.

Much of the *Green Capitalism* provides an excellent exposition of the fools' errand of "Environmentalism" and the levers of power behind that aspect of the moribund profit system. Meanwhile, at times the prose is poor and plodding, and some of the referencing is both points-scoring and unnecessary to make the more essential issue clear. Do we really need to be lectured about Trotsky's ideas on production? Some of this stuff would leave the general reader all at sea in very short order. Whilst a final extraordinary point is clearly made: the world population grew from 791 million in 1750 to 5.9 billion in 1999, as a consequence of advances in agriculture, transport, sanitation, industry. Many of that number exist at the level of subsistence – and it should not be that way! So, from an editorial perspective the narrative simply peters out – a bang and a whimper! Where is the alternative?

Notwithstanding that, this book has much to recommend it, not least for cocking a timely snook at both the modern-day misanthropes who see mankind as a plague upon the planet and the long-dead 'dismal scientists' of neo-classical economics who could not comprehend a theory of productive growth through collective endeavour. Heartfield puts a well aimed, populist boot into the modern-day Green Capitalists

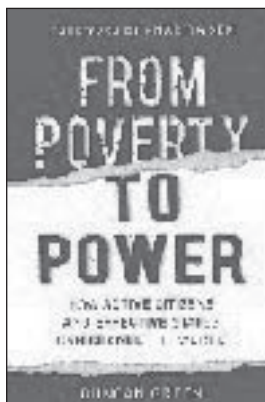
– Branson, Goldsmith, Charles Windsor, Al Gore, Bill Clinton, Lord (Peter) Melchett, and makes reasoned argument that Western Capitalism has got to go Green for the sake of exploiting new sources of profit.

There is an argument that modern socialists need to take on the Green catastrophists and promote technology and real democracy to face down the spectre of Austerity Capitalism in the 21st Century - in order to kill the pernicious profit system once and for all.

ANDY P. DAVIES

From poverty to power

How Active Citizens and Effective States can Change the World
Duncan Green 2008



Duncan Green defines an effective state as one that “can guarantee security and the rule of law,” and has an effective strategy “to ensure inclusive economic

growth”. Such a state should be accountable to citizens and able to guarantee their rights. Active citizens are linked to the state by a “combination of rights and obligations”: making use of these rights to improve their conditions.

He argues that it is the combination of poor men and women and their national governments that provide the main actors in the fight against poverty and inequality. Case studies are given to illustrate how even the poorest people have by their organised and persistent actions brought about beneficent change in their circumstances. Like the Chiquitanos people of Bolivia who after 12 years of “unremitting and often frustrating struggle” won legal title to the 1m-hectare indigenous territory of Monteverde.

He is aware that the scales are weighted against the poor in all areas. For example, research is dominated by the private sector: in agriculture 5 large multinational corporations spend \$7.3bn per year on agricultural research on high value, high profit products while the staple foods of poor communities

are “likely to be overlooked.” In biotechnology the picture is the same with GM crops being genetically engineered to meet the needs of large scale farms. There is no serious investment in the five most important semi-arid and tropical crops.

Half of the world’s population lives in the countryside and the majority of people in absolute poverty live in the rural areas. OECD (Organisation for Economic Co-operation and Development) sources are given for the claim that over the past 20 years aid donors and governments have effectively withdrawn from the countryside. Mention is made of the well known ‘structural development programmes’ which imposed a ‘radical free market’ on debtor countries.

Agricultural growth, Green argues, reduces poverty but is most effective when small farmers are able to capture a fair share of the benefits. Local farmers, he says, should be helped to improve the quality of their produce so that for example retail giants like McDonalds and Pizza Hut use local produce instead of importing produce from the USA. Here his ‘active’ citizens would be small farmers “organising their ability to negotiate a fair deal”. However when it comes to buying fertilizer or seeds, or selling produce or their labour, small producers are dominated by the large corporations. Small farmers are “de facto employees”.

In Green’s view efficient states should take the environment and the enhancement of the daily lives of the poor as prime considerations. Global governance (the “web of international institutions, laws regulations, and agreements”) could help, and the 8 main ways he lists include managing the global economy, redistributing wealth through aid or international taxation, averting health threats and avoiding war. However global governance fails to live up to its ideals. “The WTO is frozen, regional trade agreements are proliferating and introducing profoundly unfair trade and investment rules, the G8 is failing to keep its promises on aid...”, then there is the threat of climate change and “a looming financial crisis”.

The book is well sourced with a 24-page bibliography and three further pages listing background papers. There is much useful information covering more areas than can be dealt with in a review. However Duncan Green takes a moral stance whereas under capitalism the prime consideration

Meetings

West London

Tuesday 16 December

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cannot be the welfare of citizens active or otherwise, but sale and profit; this drives development (forget sustainable) – and can also inhibit it. And the state that in his view is supposed to facilitate change will only do so to the extent that the interests of the owning class are served.

PAT DEUTZ

OBITUARY

Carol Taylor

It was with sadness that we learned in mid-October of the death of Carol Taylor, and at a relatively young age. Carol will be best remembered for her work on the now popular socialist film *Capitalism and Other Kids Stuff*, on which she worked as director and editor.

Though no longer formally a member, she had no actual disagreement with the Party case. She was always a fervent defender of the socialist cause and an

ardent critic of capitalism, always keen to expose the insanity of the profit system in whatever way she could. On the discussion forum she attached to the initial Socialist TV website she created specifically to promote *Kids Stuff* she spent hours a day articulately defending the socialist case against our detractors who left messages, and there was a fair few.

Carol can be heard introducing the first ever film we did together here, a short film introducing the Socialist Party and actually put

together within an hour.

<http://socialist-tv.blogspot.com/2008/02/introducing-spgb.html>.

I worked with her on a few films, including one on the "G8" meeting filmed up in Scotland a few years ago, and we spent a lot of time together collecting stock footage we felt we could use on future socialist films. I fondly remember the many encounters we had with the police who tried to stop us filming around London, often under threat of arrest, particularly the day we tried to get footage of HRH and entourage during the State opening of Parliament and the angry argument Carol gave to the police who came to escort us away from the area and, indeed, the way she cleverly managed to blag us media passes to get on to the press wagon at Teeside Airport when George Bush came for his £1 million fish supper in Tony Blair's north eastern constituency.

I'm please to have known Carol closely and will remember her as quite a magnanimous person, warm and affectionate, loathing injustice, deceit and fraud and ever ready to speak out against it.

JB

Borstal Boy



BRENDAN BEHAN at the age of sixteen came from Dublin to Liverpool with an I.R.A. "do it yourself kit," for the purpose of blowing up Cammell Lairds. He was arrested, and after a stay in Walton Detention Prison, Liverpool, was sent for three years to a Borstal Institution in East Anglia. The book (published by Hutchinson) tells of his experiences in these places. (...)

In spite of all the tumult and violence of the book, it has a monastic quality in that nothing of any significance from the outside world ever seeps in. not even the war which was going on at the time is mentioned, in fact, the author never seems to have really noticed it. There is no serious discussion, not even about Ireland. Behan indulges in rodomontade about Irish politics, religion and history, but never indicates that he has any grasp of the underlying economic and factors of Irish history. (...)

Behan at least went to Borstal wearing a slightly glamorised

would-be Martyr's crown. He came out none the worse, perhaps even a little better for it. But what of the mal-adjusted, the misfits and the unfortunates; what happened to them? That, perhaps, is the most disquieting thing of all, but Behan never mentions it.

He has nothing to say against patriotism or nationalism either of the English, Irish or any other variety. He seems to regard many Englishmen as stiff-necked and arrogant, but sees no reason why they should not be either in their native country or to people who come from other countries. But in a world of conflicting national interests, being pro Irish, English or American, means even at the best of times being negatively anti-something else. In the worst times such feelings take on an active and hostile form.

(From book review by E.W., Socialist Standard, December 1958)

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Declaration of Principles

This declaration is the basis of our organisation and, because it is also an important historical document dating from the formation of the party in 1904, its original language has been retained.

Object

The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

Declaration of Principles

The Socialist Party of Great Britain holds

1. That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.)

by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

2. That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle between those who possess but do not produce and those who produce but do not possess.

3. That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

4. That as in the order of social evolution the working class is the last class to achieve its freedom,

the emancipation of the working class will involve the emancipation of all mankind, without distinction of race or sex.

5. That this emancipation must be the work of the working class itself.

6. That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organize consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.

7. That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working class emancipation must be hostile to every other party.

8. The Socialist Party of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.



Lucky Gordon?

Gordon Brown's new Golden Age

Some things are helpful, if not actually essential, to top politicians or to those who are high enough up the greasy pole to feel threatened by a fall. There is, for example, what might loosely be termed luck – an unpredicted change of circumstances which so affects a situation that it puts the politician in an unexpectedly favourable light. But as a son of the manse Gordon Brown has to believe in something rather more ritualistic than luck. He would not dream of gambling, especially where his political fortunes are at stake. All through the nail-biting perils of the past year he has carried stolidly on, diverting criticism and the prospects of a catastrophic electoral defeat with ponderous recitations of what he insists are the historic, enduring achievements of New Labour, particularly of himself at the Treasury. While he did this his poll rating sank lower and lower, he was humiliated at one by-election after another and terrified, sullen rebellion simmered along the benches behind him.

Credit Crunch

And then came the credit crunch and Northern Rock and Lehman and, across the Atlantic, in the financial fortress of 21st century capitalism, the fall of Fannie Mae and Freddie Mac. Suddenly all those precariously mortgaged homes and image-boosting loans ceased to be symbols of comfort; they disintegrated into menace. There was talk of 21st Century South Seas Bubble. Gordon Brown would not, in public at any rate, have called it luck, and neither would anyone with so much as a glimmering about the chaotic workings of the property based system, but the timing of it for him was – well, lucky. Apparently transformed in personality, he coined the phrase, as the climax of his conference speech, which summed up his hope for survival: “Take it from me, this is no time for a novice”.

This was said in the knowledge that Brown would have no problem, in finding and naming the villains who have fed off the groundless dreams of unsuspecting wage earners until the whole diseased edifice of lies and fraud came crashing down. There were enough of them – the bankers, the financiers, the traders in the City whose ideas of a hard, constructive day's work has been pushing other people's money around on paper and betting on the movement, up or down, of share prices.

Brown rubbed salt into their wounds when, as part of the package of state investment in the ailing banks, he ensured that certain City favourites were removed from the boardrooms. This was accompanied by Brown calling for “responsible” behaviour by the banks and then Chancellor of the Exchequer Alistair Darling calling in their top people to lean on them to pass on the 1.5 percent reduction in the Bank of England lending rate. More recently Brown has used that word again, demanding “a new, responsible approach”: by the credit card companies. “I think”, he said “we have got to bring the credit card industry (yes, they call it an ‘industry’) in to talk (yes, the call it ‘talk’) to them to join with us in establishing clear principles to apply to the costs people face on their existing debts”. And in case any bank should still not have understood Peter (sorry, Lord) Mandelson will be meeting them to draw up a “guide on behaviour” (yes, they call it ‘behaviour’).

There may be some questions about Mandelson's

suitability to instruct others in such a matter. He is, after all, the man who made himself famous by informing the City that New Labour are “intensely relaxed about people getting filthy rich”. Then there was his cosyng up to top Tory George Osborne on the yacht of the Russian billionaire Oleg Deripaska, who did not amass his fortune through considerate reticence towards his rivals.

Lord Mayor's Banquet

Mandelson's boss in Number Ten has a consistent record of sucking up to the overfed parasites of the City, when mellowed by a slap-up Lord Mayor's banquet. There was a time when Brown would make some kind of obscure, ineffective point by refusing to wear the traditional evening suit at this event, turning up in a work-a-day lounge suit. Now that he is Prime Minister he does sartorially as he is told – although he looks far from comfortable in black tie and tails and in any case says roughly the same as before. Here he is in 1998: “London is a city that is creative and responds to change. It has excelled because of the hard work and skills of the workforce and these are the essential British qualities – creativity, adaptability, a belief in hard work, fair play and openness”. In recent times his sycophancy has been more open: in 2005 he blathered “For three centuries ... your enterprise as businesses, your unique innovative skills, your courage and steadfastness and your outward looking internationalism have ...helped Britain lead the rest of the world”. And last June, as the recession was stirring, quite obviously, into life: “Britain needs more of the vigour, ingenuity and aspiration that you already demonstrate. Thanks to your remarkable achievements we have the huge privilege to live in an era that history will record as the beginning of a new Golden Age”. In fact Brown's Golden Age was ushering in what is expected to be the widest deepest, most destructive slump since the 1930s. While Brown was bowing and scraping to the City it was at the centre of a veritable culture of mis-selling, over-mortgaging workers' homes and tempting workers to take on loans which they simply could not afford to repay.

When the South Sea Bubble burst in 1720 a number of the people who were considered responsible, including Chancellor of the Exchequer John Aisable, were sent to the Tower and part of their estate was taken to help the company back into business. There is no need to go quite so far; there would be no point in punishing Mandelson and Brown and the rest for capitalism's brutal chaos.

IVAN





Voice from the Back

Poverty Recruits

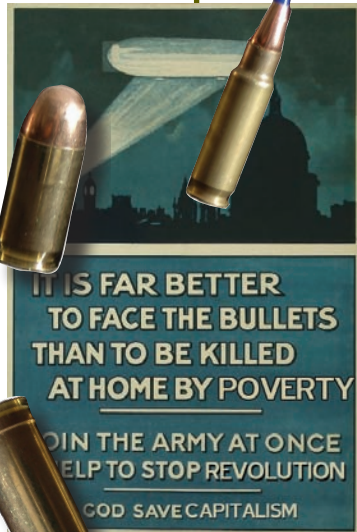
"The economic crisis could help the military recruit and retain troops, Pentagon officials said Friday, potentially ending years of extraordinary bonuses and waivers that have become necessary to keep enough troops to fight two wars. "We do benefit when things look less positive in civil society," said David S.C. Chu, undersecretary of defense for personnel and readiness." (Yahoo News, 10 October) In other words, when

young workers are desperate enough they join the armed services. The best recruiting agency for the armed forces is poverty. You need to eat? - go kill. That is capitalism for you.

War Is Mental

We are all familiar with the TV ads for the British Army that portray an exciting, fulfilling career but what many of the impoverished youths at whom the ads are aimed may not be aware of are the following facts. "The number of British military personnel discharged from the armed forces following a nervous breakdown has risen by 30 per cent since the start of the Afghan war. More than 1,300 have been medically discharged since 2001 when operation first began against the Taliban, new figures revealed. Of these, 770 belong to the army, which has borne the brunt of overseas operations in Iraq and Afghanistan. ...The rising numbers of service personnel leaving for psychological reasons will fuel concerns that thousands of soldiers face being traumatised by

their experiences in Iraq and Afghanistan. Health charities claim that as many as one in 10 soldiers will develop a mental health problem from the horrors of combat." (Observer, 19 October)



The Same Difference

Amidst the misguided euphoria about the election of a Democratic Party president it is a sobering thought that whether there is a Republican or Democratic legislation capitalism carries on as usual.

"Although there is a widespread belief that Wall Street prefers Republican presidents, most studies show that the market has actually done better under Democrats. Since 1901, the Standard & Poor's 500 index rose 7.2 percent a year on average under Democratic presidents and 3.2 percent under Republicans, according to Ned Davis Research. Looking at a more recent time period - 1944 through mid-2008 - the S&P was up 10.7 percent a year on average with a Democrat in the White House versus 8 percent with a Republican, according to International Strategy & Investment." (San Francisco Chronicle, 4 November) Changing the ruling party doesn't change the exploitation system that is capitalism.

Another Market Guru

Mr Brown blames the unregulated stock dealers, Mr Cameron blames Mr Brown and socialists blame the slump/boom cycle of capitalism, but here is someone with yet another explanation. "From his base in India's financial capital Mumbai, Raj Kumar Sharma has been tracking the turbulence in the world stock markets and has come to one firm

conclusion -- it was written in the stars. As an astro-finance specialist, he has made a career on predicting whether the Bombay Stock Exchange, Nasdaq, Dow Jones or FTSE-100 will go up or down by studying favourable or unfavourable planetary alignments. Where many blame banks overstretching themselves or inadequate financial controls and policy, Sharma sees a clash between fiery Saturn and its arch enemy Leo as a key factor in the recent financial turmoil. 'Leo is the sign of the sun and the sun is the father in Indian astrology,' he told AFP. 'But the son (Saturn) and his father (the sun) don't get along, so whenever they are sitting in the same house together, they always fight and create ill-will and danger in the market,' he said." (TIME.com, 16 October)

Vatican Bonuses

"The Vatican has reintroduced a system of clocking in, nearly 50 years after it was last phased out. Senior clerics will have to swipe plastic cards when entering and leaving, all in a drive to improve time-keeping and efficiency. ... Lay and ecclesiastical staff working in the tiny city state, are now using the swipe cards. The cards have been issued to everyone from the lowest office staff to the heads of departments, even if they are priests and archbishops, though there has been no mention if Pope Benedict XVI carries one. ...It is all part of a drive to increase efficiency and to make the Vatican more meritocratic. Next year there are plans to introduce performance-related pay." (BBC News, 3 November) Capitalism is a social system that needs concepts like "performance-related pay", but we wonder how it will operate in the Vatican. One miracle equals how many euros? Two visions equal more or less than one miracle? We foresee some difficulties when disputes go to arbitration.

Free Lunch

by Rigg

