

# socialist standard



9 770037 825006

October 2010  
Vol. 106 No. 1274  
£1.50

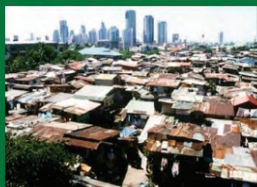
Journal of The Socialist Party of Great Britain - Companion Party of the World Socialist Movement

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#### THE SOCIALIST PARTY OF GREAT BRITAIN

The next meeting of the Executive Committee will be on **Saturday 6 November** 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](mailto:spgb@worldsocialism.org)

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## 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

### Red shoots

ARE WE beginning to see the red shoots of recovery in the class struggle? It certainly seems that way. The annual conference of the Trades Union Congress (TUC), held in mid-September, approved motions calling for 'joint industrial action', and union leaders have promised 'street protests' and a campaign of 'civil disobedience' to oppose planned government spending cuts. Two-day strikes on London's Tube network have already taken place. And as the TUC met, the International Monetary Fund (IMF) warned that America and Europe face the worst jobs crisis since the 1930s and an 'explosion of social unrest' unless governments tread carefully.

There's no way of predicting with any confidence whether this expected 'explosion' will go off, or turn out to be a damp squib – it all depends on what millions of people think and decide to do. But the concern on the part of our bosses and rulers is real enough. The unions today may remain weak: membership has declined from 13 million in the early 1980s to just over half that today, according to the *Economist*, and membership is concentrated in the public sector (57 percent of public-sector workers are unionised compared with just 15 percent in the private). But, as the *Economist* points out, unions remain an important social movement. Its seven million members are a bigger force than, say, the four million who attend church at least once a month. Along with the concentration of forces in the public sector, this means

unions can still 'cause chaos' – a transport strike prevents other workers getting to work, for example, and a teachers' strike sends millions of parents home to look after their children. The *Economist* concludes from this that there is a vital need to keep the general public 'onside' in any conflict – they mean (as if it's obvious) on the side of business and its government.

And that's the media's job – to wage a propaganda war to make sure everyone's 'onside'. The tragedy is that their victory seems assured before the war is even begun. Why? Because alternatives to the system that got us into this mess are simply unthinkable. Even the most radical of the trade unionists, and leftwing commentary generally, did little but offer reforms that the propagandists will have no trouble portraying as unrealistic. If you accept the logic of capitalism, you play by its rules – and by its rules, savage government spending cuts are just necessary and inevitable. By its rules, to fight against cuts and for higher wages is as senseless as trying to shake fruit from a dead tree. Without a decent anti-capitalist argument, and an idea of what we are for, we've lost before we've begun.

That's why socialism is so important. Yes, it is, as we are often told, a 'nice idea'. But when it takes hold of workers, it could become much more than that. It could become the fertiliser we need if the red shoots of recovery are going to take root, thrive – and blossom in a world beyond capitalism, a world fit for humanity.

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# Quantum Socialism

Lee Smolin pointed out in his book *The Trouble With Physics* (2006), M-theory is a fictitious label to describe a theory which does not yet and may never exist and for which evidence is almost completely lacking. It is not a theory, it is merely a statement of intent. 'M' does not even stand for anything, although Hawking suggests it could stand for 'master, miracle or mystery'. It could just as well stand for 'mumbo-jumbo'.

The problem with string theories, whose mutual disagreements M-theory would need to resolve, is that they present us with an unattractive choice between

EVERY JOURNALIST hack and indeed newspaper buyer knows that if you put 'sex' on the cover page you tend to sell more copies. Science magazines and TV programmes appear to have a similar trick with the word 'quantum'. Presumably this is because readers understand as little about the one as they do about the other, and salivate in a pavlovian reflex at any false promise of enlightenment.

Since nothing in physics is sexier than the search for a 'quantum gravity' theory which might underpin and unite the two great arch-enemies, relativity and quantum mechanics, any book which claims some new insight into the subject will be noisily promoted by publisher and media alike. And all the more so if produced by Stephen Hawking, the one physicist that the UK public have actually heard of.

Hawking is already famously quoted from his new book *The Grand Design* as coming out against the God-squad: "It is not necessary to invoke God to light the blue touch paper and set the universe going." All well and good, but readers of his earlier, supposedly populist work *A Brief History of Time* (1988) will know it's probably necessary to invoke a squadron of fictitious supernatural intellects in order to throw any light on Hawking. Carl Sagan or Richard Dawkins he ain't.

"M-theory is the theory of everything. It explains how the universe was created out of nothing in the Big Bang, and how it behaves now", Stephen tells us in a recent *Newsnight* interview, as if the matter has now been satisfactorily resolved, adding that "M-theory is the unified theory Einstein was hoping to find". A reasonable viewer might conclude from this that M-theory has actually been 'found' and that its equations really do solve the fundamental problems of physics. This however would be placing the truth of the matter into some quantum superposition in the eleventh dimension. In fact, as theoretical physicist and iconoclast

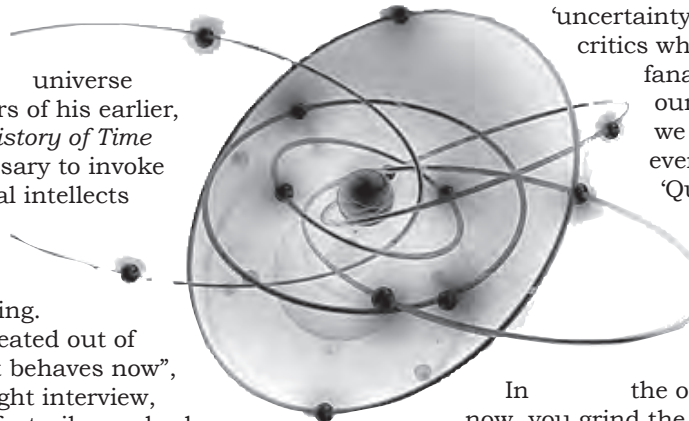
the fundamentally unknowable and the fundamentally incomprehensible. The only way to tie up all the loose stringy ends into a neat package that can explain all those myriad annoying particles with exotic names is a formula that doesn't just account for our universe but also  $10^{500}$  other universes too (this is a 1 with roughly this paragraph's worth of zeroes after it, some 410 orders of magnitude more than the number of atoms in the known universe). Being asked to believe that there are indeed this many universes existing in parallel, 48 quadrillion of them possibly hiding under one of your toenails, does not do much to inspire confidence. Most normal people would suggest that such a theory is no theory at all, but then perhaps normal people don't go into physics.

Still, maybe we're missing a marketing opportunity here. We could relabel socialism as M-theory, for Marx or Materialist, and even include our own

'uncertainty principle' just for those critics who think we're smart-alec fanatics who never question our own ideas. After all, we never said we knew everything. And wouldn't 'Quantum Socialism' look good on the cover?

There is also an M-theory in economics, which is monetarism, the opposite of K-theory.

In the one, as we are seeing now, you grind the poor and cut services to get out of depression. In the other, you indulge in a Keynesian orgy of spending to get out of depression. Since both were tried simultaneously during the Reagan - Thatcher years and neither worked, we socialists tend to bracket them both under the grand unified theory known as B-theory. This, in case you're wondering, is named after a gentleman's personal appendages.



## Dawkins deified

WAS THERE a deliberate irony behind the *Guardian's* decision to entitle an interview with four prominent scientists, including Richard Dawkins, as 'Gods of Science' (11 September)? If there was any embarrassment on Dawkins' part he didn't mention it. When asked who his own favourite living scientific hero was he chivalrously cited his co-interviewee David Attenborough. Brian Cox, formerly

pop star, now an engaging TV presenter and photogenic professor who presents entry-level astronomy to people who aren't sure which revolves around what, would probably by his own admission not quite qualify as a God. He cited his co-interviewee Stephen Hawking as his hero. Meanwhile, avoiding any such yuk-factor, Attenborough cited Richard Feynman, whose many sterling attributes do not include being alive. Hawking grumpily refused to cite anyone at all. Maybe next we'll get a tour round their kitchens in *Hello* magazine. Celebrity chemist, anyone?

The World Socialist Movement, made up at the moment of active parties in Britain, the US, Canada and New Zealand, has a website at:

[www.worldsocialism.org](http://www.worldsocialism.org)

These parties have their own website which can be accessed through here or directly:

[www.worldsocialism.org/spgb](http://www.worldsocialism.org/spgb)

[www.wspus.org](http://www.wspus.org)

[www.worldsocialism.org/canada](http://www.worldsocialism.org/canada)

[www.worldsocialism.org/nz](http://www.worldsocialism.org/nz)

The WSM also runs an open discussion forum, to which anybody, socialist or not, can contribute as long as they respect the rules. It has contributors from all over the world:

[http://tech.groups.yahoo.com/group/WSM\\_Forum](http://tech.groups.yahoo.com/group/WSM_Forum)

The SPGB has its own blog at:

<http://socialismoryourmoneyback.blogspot.com/>

Some branches have their own blogs. For instance the Scottish branches here:

<http://socialist-courier.blogspot.com/>

Members have set up MySpace and Facebook pages:

[www.myspace.com/socialiststandard](http://www.myspace.com/socialiststandard)

[www.myspace.com/socialistpartyofgb](http://www.myspace.com/socialistpartyofgb)

[www.myspace.com/worldsocialism](http://www.myspace.com/worldsocialism)

[www.myspace.com/socialistpartycanada](http://www.myspace.com/socialistpartycanada)

**SPGB - [www.facebook.com/group.php?v=wall&gid=89558217699](http://www.facebook.com/group.php?v=wall&gid=89558217699)**

World Socialist Movement -

<http://www.facebook.com/group.php?v=wall&gid=89558217699#!/group.php?gid=4940054730&ref=ts>

World Socialist Party U.S. -

<http://www.facebook.com/group.php?v=wall&gid=89558217699#!/pages/World-Socialist-Party-US/122169628813>



Socialist Party of Canada -

<http://www.facebook.com/group.php?v=wall&gid=89558217699#!/group.php?gid=2379710336&ref=ts>

Some individual members have set up their own blogs or websites. We won't list them all as some have proved to be ephemeral or are not kept up, but here's a few. As will be seen, as befits a diary (of which blogs are a variety) the blogs can also contain material about the blogger's musical preferences or the sporting team they support:

<http://mailstrom.blogspot.com>

<http://impossiblilst.blogspot.com>

[www.theoryandpractice.org.uk](http://www.theoryandpractice.org.uk)

## Web Resources

WSM material is also available on other sites. Past articles by three SPGB members can be found on Marxists Internet Archive:

<http://www.marxists.org/archive/fitzgerald/index.htm>

<http://www.marxists.org/archive/hardcastle/index.htm>

<http://www.marxists.org/archive/lawrence/index.htm>

This French site has articles from our publications in various languages (not just French):

<http://bataillesocialiste.wordpress.com/limpossibilisme-anglo-saxon>

A 50-minute video "Capitalism and Kids Stuff" can be found here:

<http://socialist-tv.blogspot.com/2008/02/capitalism-and-other-kids-stuff.html>

Videos of meetings can be found on You Tube but accessed through here:

[www.worldsocialism.org/spgb/video.html](http://www.worldsocialism.org/spgb/video.html)

Audio recordings of meetings and debates, some going back to the 1970s and 1980s, can be found at

[www.worldsocialism.org/spgb/audio.html](http://www.worldsocialism.org/spgb/audio.html)

and on the experimental site at

[www.theoryandpractice.org.uk/wsmtemp](http://www.theoryandpractice.org.uk/wsmtemp)

Other language sites are:

French:

<http://socialisme-mondial.blogspot.com>

and

[www.facebook.com/pages/Socialisme-mondial/54629267263?ref=mf](http://www.facebook.com/pages/Socialisme-mondial/54629267263?ref=mf)

Italian:

<http://socialismo-mondiale.blogspot.com>

and

[www.myspace.com/socialismomondiale](http://www.myspace.com/socialismomondiale)

Spanish:

<http://marcos-msm.blogspot.com>

and

<http://espanol.groups.yahoo.com/group/movimientosocialistamundial>

German:

[www.wiederaneignung.blogspot.com](http://www.wiederaneignung.blogspot.com)

Swedish: The Swedish section of the Marxist Internet Archive is in the process of publishing all the issues of the magazine and pamphlets published by the Swedish WSM group there in the 1970s and 1980s:

[www.marxists.org/svenska/tidskrifter/vs/index.htm](http://www.marxists.org/svenska/tidskrifter/vs/index.htm)

[www.marxists.org/svenska/tidskrifter/vsh/index.htm](http://www.marxists.org/svenska/tidskrifter/vsh/index.htm)

More articles in French can be found on the SPC site at

<http://www.worldsocialism.org/canada/enfranca.htm>

And in Spanish on the WSPUS site at

[www.es.wspus.org/](http://www.es.wspus.org/)

The WSM site has articles in these and other European and Asian languages at

<http://www.worldsocialism.org/othlang.php>





# USA: Supporting the “Lesser Evil”

MANY “ANTI-CAPITALIST” personalities urge people to support one of the two main capitalist parties, the Democrats, on the grounds that they are a “lesser evil” compared with the Republicans. One example is film maker Michael Moore (see March issue, p. 10). Another is Paul Street, who has written two useful exposés of Obama – *Barack Obama and the Future of American Politics* (2009) and *The Empire’s New Clothes: Barack Obama in the Real World of Power* (2010) (both from Paradigm Publishers). Although Street calls himself a libertarian socialist, he campaigned for Democratic presidential candidate John Edwards.

### What they say versus what they do

How much less evil, then, are the Democrats?

A mistake that voters often make, especially during election campaigns, is to compare what the Republicans say and do with what the Democrats say. The relevant comparison is with what the Democrats do. The trouble is that when the Democrats have been out of office for a few years most voters no longer remember what they do. But those familiar with the record of the Clinton administration in the 1990s, for instance, or with Obama’s record as a congressman, might have noticed that between what the Democrats say and what they do yawns a chasm wider than the Grand Canyon.

In stump speeches in the mid-West, candidate Obama thundered against regional companies such as Maytag and Exelon. And yet these same companies, justifiably confident that he would do nothing to harm their interests, made large financial contributions to his campaign. Speaking before audiences of workers, Obama would denounce Maytag’s decision in 2004 to close the refrigerator plant in Galesburg, Illinois, entailing the loss of 1,600 jobs to Mexico. But he never raised the issue with Maytag directors Henry and Lester Crown, even though he enjoyed a “special relationship” with them.

### Differences that make no difference

Many of the “differences” between Bush and Obama (or between McCain and Obama) make no difference. Or very little.

Obama initially opposed Bush’s military intervention in Iraq – hastening to add that he was not against all wars, God forbid, but only against “dumb” ones. Before leaving office, Bush initiated a gradual and partial withdrawal of troops from Iraq. Obama is pursuing the same course, breaking an earlier promise of rapid and complete withdrawal.

Bush was heading toward war with Iran. Obama is not. Probably. Hopefully. True, he did back off from his promise to meet with Iranian leaders. Commentator Steve Clemons informs us that “while there are individuals in the Obama administration who are flirting with the possibility of military action against Iran, they are fewer in number than existed in the Bush administration” (*The Huffington Post*, July 23, 2010). How’s that for reassurance?

At least there seemed, before the election, to be a clear-cut difference on the issue of offshore oil. How many people must have voted for Obama in horrified response to the exultant cry of John McCain and Sarah Palin: “*Drill, baby, drill!*” But in March 2010 Obama broke his campaign pledge and gave the go-ahead to offshore operations. The next month an oil rig exploded in the Gulf of Mexico. Another rig caught fire in September.

Obama won trade union support by promising a new law to facilitate union organizing – the Employee Free Choice Act. He also said he would renegotiate the North American Free Trade Agreement to include stronger labour and environmental protections. We have heard nothing more of these things. Obama, we are told, does not want to look “pro-labour.”

And so the sad litany continues.

### A political cycle

I do not mean to deny that in some ways or in some situations it may be better to have a Democrat rather than a Republican in the White House. For instance, isn’t it worthwhile just to reduce, even if not eliminate, the probability of an attack on Iran?

For the sake of argument, let us suppose that the Democrats are a significantly lesser evil. In that case, helping them into office does ward off a greater evil. But only in the short term. For once in office, Democrats come under irresistible pressure from their capitalist masters to break their “populist” promises, to disappoint, disillusion and betray the working people who placed their trust and hope in them. Some sink back into apathy and despair, while others fall prey to a racist or fascist backlash. These reactions give the Republicans their chance to return.

This is a recognizable political cycle. We have been through it before. Over and over again. Not only in the United States but (with variations of detail) in many other countries. Those who support the lesser evil play an essential role in constantly reproducing the cycle. They share the responsibility for its persistence. Support for the lesser evil also entails support – indirect and delayed, but support nonetheless – for the greater evil.

### The difference that matters

For us as earthlings, the difference that matters is that between socialism and capitalism. Will we continue on our present course to the irreversible destruction of our home world? Or will we make the fundamental change needed to give us a decent chance of survival?

From this perspective, the differences between “greater” and “lesser” evils do not matter. Some capitalist politicians are totally subservient to the oil, gas, and coal corporations and recklessly oblivious to the looming danger. In their hands we are doomed. Other capitalist politicians are a little less subservient, show a limited awareness of the situation, and try to do something to mitigate it. Something, but much less than is absolutely essential. In their hands we are still doomed. Pass or fail. The “lesser evil” is simply not good enough.

STEFAN



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	Price and Qty	
<b>An Inconvenient Question: Socialism and the Environment</b> One of the major problems of capitalism is pollution – as capitalists cause long term damage to the environment for short term gain. This pamphlet outlines the Socialist case for a better, cleaner world run for people, not for profit.	£2.00 x _____	£2.00 x _____
<b>What's Wrong With Using Parliament?</b> Addresses arguments put by others who desire a classless, moneyless society but who do not see parliament as relevant to achieving this.	£1.00 x _____	£2.00 x _____
<b>From Capitalism to Socialism...how we live and how we could live</b> Contrasts the present state of life with what a future Socialist world would bring, and then suggests what kind of political action can be taken to bring Socialism about.	£1.00 x _____	£2.75 x _____
<b>Africa: A Marxian Analysis</b> A 30-page pamphlet written by socialists living in Africa consisting mainly of reprints from the <i>Socialist Standard</i> . Marx's materialist conception of history and analysis of society is applied to subjects such as tribalism, religion, race and class, colonialism and capitalism, Sharia Law in Nigeria.	£1.50 x _____	£15.00 x _____
<b>Socialism as a Practical Alternative</b> Sets forth the practical proposition that Socialism entails, and develops further arguments into ways in which a sane society based on social equality and cooperation could operate.	£1.00 x _____	
<b>Some aspects of Marxian Economics</b> A series of articles drawn from the <i>Socialist Standard</i> explaining the real nature of modern economic problems and the failure of 'conventional economics' to solve them.	£2.00 x _____	
<b>How the Gods were Made</b> A classic reprint of a text defending the materialist conception of history. In doing so it explains the Socialist opposition to religion.	£1.50 x _____	
<b>Marxism and Darwinism by Anton Pannekoek</b> A classic reprint of a text that puts in context our origins as an animal species and also our social nature as a key part in the development of society.	£1.50 x _____	
<b>How we Live and How we Might Live by William Morris</b> A clear exposition of what Morris saw as being wrong with society in his time and how a moneyless, tradeless society based on common ownership and democratic control would have to be the basis of any healthy arrangement of affairs.	£1.50 x _____	
<b>The Right to be Lazy and other articles by Paul Lafargue</b> A reprint of Marx's son-in-law's classic text. Makes the clear point that any imaginary right to work under capitalism is just a wage slave's 'right' to be exploited. Includes a collection of other important articles written by Lafargue not easily available in print and an introduction by the Socialist Party.	£2.00 x _____	
		<b>Marxism Revisited</b> A lively document of a series of five talks given by the members of the Socialist Party as a part of a weekend seminar in 1998. Titles are as follows: 1) Who the hell was Karl Marx? 2) Was Marx a Leninist? 3) The fetishism of commodities 4) Has the modern market superseded Marxist economics? 5) Is the Socialist Party Marxist? £2.00 x _____
		<b>Socialist Principles Explained</b> This pamphlet is a basic introduction to our case, and ideal for people who have just come across Socialist ideas or who are thinking of joining. It explains in simple language our object and each of the eight principles. £2.00 x _____
		<b>The Market System must Go! Why Reformism doesn't work</b> Explains why the Socialist Party advocates the revolutionary transformation of existing society rather than piecemeal reform, like the Labour Party or Conservatives. It is a detailed backup to our more introductory pamphlets putting the case for genuine revolutionary change. £2.75 x _____
		<b>All the above pamphlets (25% discount)</b> £15.00 x _____

## BOOKS

<b>A Socialist Life by Heather Ball</b> A collection of sort stories by <i>Socialist Standard</i> writer Heather Ball. Many readers liked her distinctive writing style, finding it full of charm, warmth, humanity and humour. Sadly, Heather died before she could complete her writing project. This collection, published by the Socialist Party, presents the case for Socialism on the basis of individual, everyday experience.	£3.75 x _____
<b>Are We Prisoners of our Genes?</b> The argument that our behaviour is determined by our physical inheritance may pose as science, but in reality it is a socially determined prejudice used as part of a crude political ideology. Faced with such objections to socialism, the first thing that needs to be done is to clarify what is going to be meant by the term 'human nature'.	£4.75 x _____
<b>Socialism or your Money Back</b> Articles from the <i>Socialist Standard</i> covering many key events of the last hundred years as they happened. This book will be of interest to those wanting to study the political, economic and social history of the twentieth century, as well as to those committed to the interests of the majority class of wage and salary workers who want a different society to replace the profit-wages-money system that is capitalism.	SPECIAL PRICE: £1.00 x _____

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Capitalism and Other Kids' Stuff	£5.75 x _____
Poles Apart? Capitalism or Socialism as the Planet Heats Up	£5.75 x _____

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### THE FAILURE OF REFORM

"The number of people in the U.S. who are in poverty is on track for a record on President Barack Obama's watch, with the ranks of working-age poor approaching 1960s levels that led to the national war on poverty. Census figures for 2009 the recession-ravaged first year of the Democrat's presidency are to be released in the coming week, and demographers expect grim findings. It's unfortunate timing for Obama and his party just seven weeks before important elections when control of Congress is at stake. The anticipated increase from 13.2 percent to about 15 percent would be another blow to Democrats struggling to persuade voters to keep them in power." (*Yahoo News*, 11 September)

### MODERN BRITAIN

"Nearly 54,000 children living below the poverty line will be pushed farther down the scale by cuts to housing benefit, according to figures from the charity Shelter. Their families will be left with less than £100 a week once housing costs have been paid. Of these, 33,000 children will be in families trying to live on under £50 a week." (*Times*, 7 September)

### HUNGER AMIDST PLENTY

"India's grain warehouses are bursting at the seams and sacks of rice and wheat lie rotting in the open for lack of storage space. These government-managed stocks are for offsetting a fall in agricultural production in the event of drought or floods, but are also meant for sale to the poorest segment of the population at subsidised prices. But because the public distribution system (PDS)

is undermined by bureaucracy and corruption, 60m tonnes of grain is lying in warehouses or under plastic sheeting, and, according to the *Hindustan Times*, 11m tonnes of it has been destroyed by the monsoons. A committee of experts appointed by the supreme court has claimed that this is nothing short of "genocide", and last month the court ordered the free distribution of the grain to the poor rather than have it eaten by rats. Since the 1970s green revolution, agricultural production has continued to rise, but not to benefit the hungry. Half of India's children aged under five suffer from malnutrition, and the rate remained stable between 1999 and 2006 despite the economic growth in those years. India is the world's 11th largest economic power but still has more people in poverty." (*Guardian*, 7 September)

### LOADED POLITICIANS IN USA

"The rest of the country is still struggling with high unemployment amid a sluggish-at-best economic recovery -- but the wealthiest members of Congress are in high cotton. Indeed, the top 50 wealthiest lawmakers saw their combined net worths increase last year, according to the Hill's annual analysis of financial disclosure documents. Combined, the 50 lawmakers were worth \$1.4 billion in 2009 -- an \$85.1 million increase over their 2008 total. ... The list of 50 lawmakers spans both parties (27 Democrats and 23 Republicans) and both chambers of Congress (30 House members, 20 senators), the Hill reports." (*Yahoo News*, 1 September)

## Contact Details

### UK BRANCHES & CONTACTS

#### LONDON

**Central London branch.** 2nd Weds. 6.30pm. 2nd Wednesday 6.30pm. Coffee Republic, 7-12 City Road, EC1 (nearest Tube and rail stations Old Street and Moorgate).

**Enfield and Haringey branch.** Thurs Sept. 14 and 28, 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

#### MIDLANDS

**West Midlands Regional branch.** Meets last Sunday of month, 3pm, Briar Rose pub, Bennetts Hill (off New St), Birmingham B2 5RE. Email: tonygluck111@btinternet.com.

#### NORTHEAST

**Northeast branch.** Contact: Brian Barry, 86 Edgmond Ct, Ryhope, Sunderland SR2 0DY. Tel: 0191 521 0690. Email: davejewell@bushinternet.com

#### NORTHWEST

**Lancaster branch.** Meets every Monday 8.30pm. P. Shannon, 10 Green Street, Lancaster LA1 1DZ. Tel: 01524 382380

**Manchester branch.** Paul Bennett, 6 Burleigh Mews, Hardy Lane, M21 7LB. Tel: 0161 860 7189

**Bolton.** Tel: H. McLaughlin. 01204 844589

**Cumbria.** Brendan Cummings, 19 Queen St, Millom, Cumbria LA18 4BG

**Carlisle:** Robert Whitfield.

Email: rwhitfield@pastie13.plus.com Tel: 07906 373975

**Rochdale.** Tel: R. Chadwick. 01706 522365

**Southeast Manchester.** Enquiries: Blanche Preston, 68 Fountains Road, M32 9PH

#### YORKSHIRE

**Skipton.** R. Cooper, 1 Caxton Garth, Threshfield, Skipton BD23 5EZ.

Tel: 01756 752621

**Todmorden:** Keith Scholey, 1 Leeview Ct, Windsor Rd, OL14 5LJ. Tel: 01706 814 149

#### SOUTH/SOUTHEAST/SOUTHWEST

**South West Regional branch.** Meets every two months on a Saturday afternoon (see meetings page for details). Shane Roberts, 86 High Street, Bristol BS5 6DN. Tel: 0117 9511199

**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

#### EAST ANGLIA

**East Anglian Regional branch.** Meets every two months on a Saturday afternoon (see meetings page for details).

Pat Deutz, 11 The Links, Billericay, CM12 0EX. n.deutz@btinternet.com David Porter, Eastholme, Bush Drive, Eccles-on-Sea, NR12 0SF.

Tel: 01692 582533. Richard Headicar, 42 Woodcote, Firs Rd, Hethersett, NR9 3JD.

Tel: 01603 814343.

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

#### IRELAND

**Cork:** Kevin Cronin, 5 Curragh Woods, Frankfield, Cork. Tel: 021 4896427.

Email: mariekev@eircom.net

**Newtownabbey:** Nigel McCullough. Tel: 028 90852062.

#### SCOTLAND

**Edinburgh branch.** 1st Thur. 8-9pm.

The Quaker Hall, Victoria Terrace (above Victoria Street), Edinburgh. J. Moir. Tel: 0131 440 0995.

JIMMY@jimoir29.freemove.co.uk Branch website:

<http://geocities.com/edinburghbranch/>

**Glasgow branch.** 3rd Wednesday of each month at 8pm in Community Central Halls, 304 Maryhill Road, Glasgow.

Richard Donnelly, 112 Napiershall Street, Glasgow G20 6HT. Tel: 0141 5794109.

Email: richard.donnelly1@ntlworld.com

**Dundee.** Ian Ratcliffe, 16 Birkhall Ave, Wormit, Newport-on-Tay, DD6 8PX. Tel: 01328 541643

**West Lothian.** 2nd and 4th Weds in month, 7.30-9.30. Lanthorn Community Centre, Kennilworth Rise, Dedridge, Livingston. Corres: Matt Culbert, 53 Falcon Brae, Ladywell, Livingston, West Lothian, EH5 6UW. Tel: 01506 462359

Email: matt@wsmweb.fsnet.co.uk

#### WALES

**Swansea branch.** 2nd Mon, 7.30pm, Unitarian Church, High Street. Corres: Geoffrey Williams, 19 Baptist Well Street, Waun Wen, Swansea SA1 6FB. Tel: 01792 643624

**Cardiff and District.** John James, 67 Romilly Park Road, Barry CF62 6RR. Tel: 01446 405636

### INTERNATIONAL CONTACTS

**Latin America.** J.M. Morel, Calle 7 edif 45 apto 102, Multis nuevo La loteria, La Vega, Rep. Dominicana.

#### AFRICA

**Kenya.** Patrick Ndege, PO Box 78105, Nairobi.

**Swaziland.** Mandla Ntshakala, PO Box 981, Manzini.

**Zambia.** Kephass Mulenga, PO Box 280168, Kitwe.

#### ASIA

**India.** World Socialist Group, Vill Gobardhanpur. PO Amral, Dist. Bankura, 722122

**Japan.** Michael. Email: worldsocialismjapan@hotmail.com.

#### EUROPE

**Denmark.** Graham Taylor, Kjaerslund 9, floor 2 (middle), DK-8260 Viby J

**Germany.** Norbert.

E-mail: weltsozialismus@gmx.net

**Norway.** Robert Stafford.

Email: hallblithe@yahoo.com

**Italy.** Gian Maria Freddi, Casella Postale n. 28., c/o Ag. PT VR 17, 37131 Verona

**Spain.** Alberto Gordillo, Avenida del Parque 2/2/3 Puerta A, 13200

Manzanares.

### COMPANION PARTIES OVERSEAS

#### World Socialist Party of Australia.

P. O. Box 1266 North Richmond 3121, Victoria, Australia. Email: commonownership@yahoo.com.au

#### Socialist Party of Canada/Parti

Socialiste du Canada. Box 4280,

Victoria B.C. V8X 3X8 Canada.

Email: SPC@iname.com

#### World Socialist Party (New Zealand)

P.O. Box 1929, Auckland, NI, New Zealand.

#### World Socialist Party of the United States

P.O. Box 440247, Boston, MA

02144 USA.

Email: wspboston@covad.net





## Capitalism and the Labour Party

"I'LL MAKE capitalism work for the people," promised Ed Miliband in his bid to become Labour leader (*Observer*, 29 August). He explained:

"Britain's big question of the next decade is whether we head towards an increasingly US-style capitalism – more unequal, more brutish, more unjust – or whether we can build a different model – a capitalism that works for people and not the other way round."

Apparently, "in 2008, a consensus existed that we should understand the lessons of the financial crisis, not just about regulation, but about the kind of capitalism we needed to build".

We've heard this before. The Labour Party has always tried to make capitalism work for the people but, every time that it has been in office, it has failed miserably. What is new is that previously Labour leaders never admitted that this was what they were trying to do. They said they were trying to gradually reform capitalism out of existence, not building a new kind of capitalism.

Still, an open recognition of what they are trying to do can only help clarify things. It is, however, indicative of how far Labour has changed that Ed Miliband was the candidate supported by the Left in the party. Even they have bought into the idea that there is no alternative to capitalism, only a choice about what sort of capitalism, and dropped the anti-capitalist rhetoric.

Ed's brother David, the candidate supported by the Right, declared that his Labour hero was Anthony Crosland (*New Statesman*, 30 August). He was the

Fabian Society Labourite who argued that capitalism no longer existed. Which might explain why David Miliband, and Blair and Brown before him, refuse to use the c-word.

The reason Labour – and indeed the Tories who also talk of a "people's capitalism" – fail to make capitalism work for the people is that this is an impossible mission. Capitalism just cannot be made to work in the interest of all. It is a profit-making system that can only work as such, in the interest of those who live off profits and to the detriment of those who live off wages and salaries or, in the absence of these, on state hand-outs.

The driving force of capitalism is the accumulation of capital out of profits. When this slows down, as at present, there is a crisis. So, governments must not do anything that might discourage the making of profits to accumulate as capital; in fact, even if it wasn't their original intention (as perhaps, giving them the benefit of the doubt, it wasn't with some Labour governments), they have to end up doing all they can to encourage this.

Inevitably, this brings them into conflict with the wage and salary working class whose labour is the source of profits, imposing wage restraint and/or austerity on them. This is not because the government's members are nasty or incompetent or corrupt, but because this is how they are forced to act by virtue of being the government in the context of capitalism. They fail because they can't act in any other way.

Instead of Labour gradually changing capitalism into something else, the experience of running capitalism changed the Labour Party – to the extent that today you are labelled a left-winger if you just mention the word "capitalism", even to support it.

Some women who were raped at the US's Abu Ghraib prison facility in Iraq were later "honor killed" by their families, says a Jordanian reporter who writes on women's issues. "In Abu Ghraib, women were tortured by the Americans much more than the men," Lima Nabil told *The Independent*. "One woman said she witnessed five girls being raped. Most of the women in the prison were raped – some of them left prison pregnant. Families killed some of these women – because of the shame." Nabil, who has reported extensively on the status of women in the Arab world and runs a home for runaway girls, made the comments to renowned foreign correspondent Robert Fisk in an article on honor killings in Jordan. Nabil did not expand on her comments in the article. Fisk reported that a "very accurate source in Washington" in close contact with military personnel has confirmed "terrible stories of gang rape" by US forces at the now-notorious prison:

<http://tinyurl.com/36f6xe2>

Former CIA agents have confirmed for the first time that the agency tortured prisoners at a "black site" detention center in north-eastern

Poland at the height of the war on terror. According to the Associated Press, a former CIA agent identified only as "Albert" tortured the terror suspect Abd al-Rahim al-Nashiri multiple times with an electric drill at the converted Stare Kiejkuty military base near Szymany in the Masuria region of Poland:

<http://tinyurl.com/396tsap>

The new "saddle" seat, to be unveiled at a conference this week, increases the number of seats an airline can have in its economy class. Shaped similar to a horse saddle, passengers sit at an angle, with their weight taken on by their legs. It allows seats to be overlapped. The seats would also offer storage space including a shelf for carry-on bags and hooks to hang a jacket or a handbag...The makers say the seat would allow budget airlines, such as Ryanair, to cram more passengers into their tight cabins:

<http://tinyurl.com/35pgijn>

Ryanair's Michael O'Leary has for years endured complaints from passengers about his famously



## Tiny Tips

no-frills Irish airline. Now a senior Ryanair pilot has taken the rare step of publicly challenging his boss after the outspoken chief executive said he was trying to convince authorities to let his aircraft fly with only one pilot. A flight attendant could do the job of a co-pilot if needed, Mr O'Leary said last week, because "the computer does most of the flying now". Captain Morgan Fischer, who trains other pilots at Ryanair's Marseilles base, says he knows the airline is dedicated to keeping its costs as low as possible, so why not go one better – and replace Mr O'Leary with a junior flight attendant? "I would propose that Ryanair replace the CEO with a probationary cabin crew member currently earning approximately €13,200 net per annum," Capt Fischer has written in a letter to the *Financial Times*, which reported Mr O'Leary's comments last week. "Ryanair would benefit by saving millions of euros in salary, benefits and stock options," the captain said, and there would be no need for approval from the authorities.

<http://tinyurl.com/34q3b8n>



# The New GDP: Gilts, Debts and 'PIIGS'

*During 2010 the most talked-about consequence of the housing and banking crisis has been its knock-on effect for governments – those charged with masterminding the bailout. We examine the state of what is euphemistically known as the 'public finances'.*

There are ultimately only three sources of revenue for any government – taxes, borrowing and printing money. The economic crisis has led to a media preoccupation with all three. Because of the bailout of the banks and massive financial stimulus programmes initiated by governments the world over in an attempt to avoid another Great Depression, there is quite some interest in how all this is going to be paid for.

One aspect of this, which the Cameron government is now grappling with, is to try to compensate for the bailout and the costs of the recession by reducing

other government expenditure (e.g. on state-provided services like education, on defence, and on staffing in the civil service, etc). However, if printing money causes inflation, and there are limits to the amount that can be raised through taxes, why not just borrow more to avoid the need for big public spending cuts?

The borrowing option is very often there, but government borrowing is not always as straight forward and risk-free an exercise within capitalism as it may appear at first sight.

#### **Good as gilts**

Governments borrow money through the issuance of bonds, which are sold to investors with the promise to pay a rate of interest and – usually – to return the original capital advanced by the investor at a pre-determined time (when the bond 'matures'). The issuance of debt in the UK is overseen by an agency of HM Treasury called the Debt Management Office. Bonds issued with maturities of less than a year in the UK are called Treasury Bills and are traded on the money markets, typically by big financial institutions who only want to tie-up some of their money for short periods. However, the vast bulk of the bonds issued in the UK to finance government debt are for maturities over a year and are called 'gilt-edged securities' because

the original bond certificates had a gilt-edge to the paper (see *Gilt Complex*).

The issuance of gilts is a regular activity because government revenue from taxation does not neatly match patterns of government expenditure, either because spending is running ahead of government revenues, as at present, or because tax-collection typically has greater seasonal variations than government spending. And even when governments might be paying back some gilts as they mature ('redeeming' them) they will usually still be issuing others.

Other countries have similar mechanisms for issuing debt (in the US the bonds are called 'Treasuries') and all have similar issues at root. In particular, the laws of supply and demand will affect the level of the interest payments demanded by investors as will the general level of confidence in a country's ability to pay both the coupons and the original capital advanced when the bonds mature. In the UK there are usually weekly gilt auctions and the government will have to respond to a lack of demand for gilts by increasing the coupon on new issues thereby making them more attractive – but at the same time making them more expensive from the government's own point of view.

A big influencing factor on this is the 'secondary market' for already existing gilts – the billions of pounds of gilts in circulation until they mature do not usually trade at their face value after they have been issued, but at rates determined by

the market (see *Bond – Licence to a Killing*).

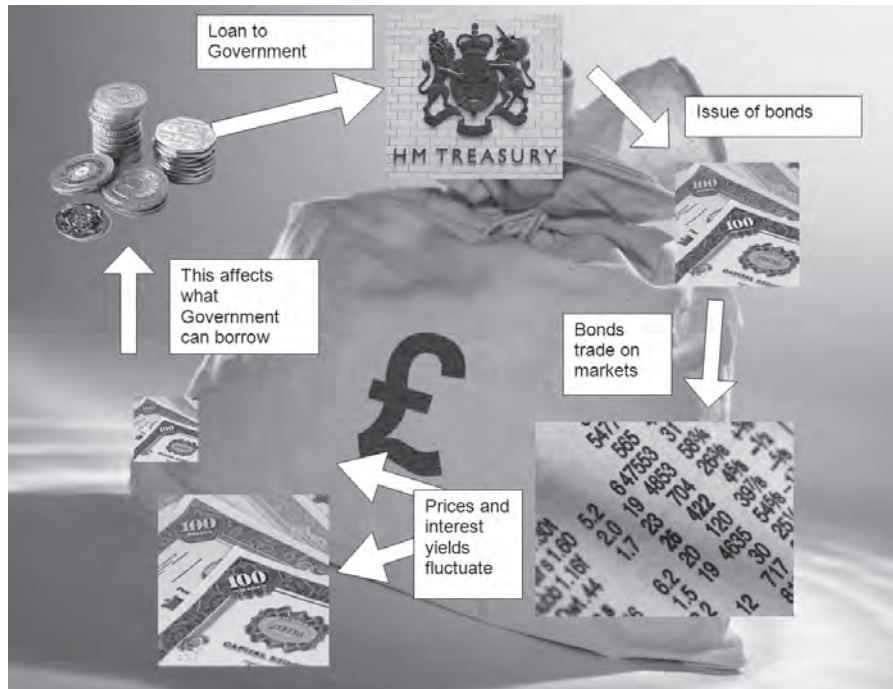
Such market gyrations in gilt prices and yields as determined by capitalist investors daily will influence the way and cost at which a government can borrow by issuing new gilts, with shifts in yields being crucial. Because investors may be tying their money up for long periods it is normal for the yield on long-term bonds to be generally higher than for short-term bonds too. However, periods of financial uncertainty and likely recession usually lead to interest rates being temporarily higher for shorts than for longs as investors do not want to tie their money up for extended periods. This leads to what is called an 'inverted yield curve', with higher short-term interest rates in the economy than long-term rates, as happened for a time at the start of the credit crunch (the yield curve is the relation between interest rates, i.e. the cost of borrowing, and the time maturity of debt).

These ever-changing market interest rates at which governments have to issue gilts in order to finance their borrowings is of obvious concern to them. But the maturity of the bonds is a significant issue too.

#### 'PIIGS' at the trough

In the last few months a new acronym has arisen in the financial press reflecting the times. Instead of the talk being of the fast-growing emerging market 'BRIC' countries of Brazil, Russia, India and China, we have the 'PIIGS' instead. These are countries that have been deemed by the international bond markets to have issues regarding the amount and/or nature of the government debt they have outstanding, the unfortunate acronym standing for Portugal, Italy, Ireland, Greece and Spain. The most serious situation, now accompanied by massive government spending cuts and riots on the streets, has been that encountered by Greece, which has implemented austerity measures of around 30 billion euros in return for a 110 billion euro rescue package from the EU.

Interestingly, Greece's annual budget deficit – its annual expenditure over its annual revenue – is projected to amount to about 8 per cent of GDP this year, actually less than the US's 11 per cent (*Financial Times*, 23 June). And its total accumulated national debt built up over time is, at around 110 per cent of one year's GDP, a lot less than Japan's at 190 per cent of GDP. The problem, however, with Greece has been that much of its debt was due to be retired in the next couple of years (i.e. a large proportion of the bonds it had issued were due to mature) and there was no guarantee it had



the money to be able to do this. This prospect sent the bond markets into fright to the extent that long-dated Greek debt was yielding over 10 per cent at one stage, more than double that typical for other western economies. This was because investors dumped their bonds, in the belief they may not get their original investment back, sending the prices of the bonds plummeting and their yields soaring.

This has been a clear example of the way in which the bond markets are able to determine which countries are able to carry on issuing debt investors are willing to buy, and which countries investors have lost confidence in. This is precisely what has happened to a number of Latin American states such as Argentina during the last 30 years too – and the retribution has usually been severe. When a country shows signs that it cannot pay back its debts or may default on coupon payments on its bonds, a restructuring programme initiated by the International Monetary Fund is not far away, typically leading to cuts in state spending coupled with tax rises and the inevitable social unrest.

Once a government defaults on its debts, the bond markets tend to have long memories, and the fear of future default will push up interest rates (yields) for years to come, making the cost of government borrowing high. In such situations, international investors retreat to 'safe havens' like the US and UK, countries that have never had any significant default on their debts during their history.

#### Just like BP?

In this respect, the markets treat

countries and their governments rather like they treat individual companies. Just as credit rating agencies like Moody's or Fitch give credit ratings to companies (the highest being 'Triple A') so they rate nations too and this influences market perceptions. Credit rating agencies and other financial firms view companies likely to default on their debt (whether to banks, or to investors such as the owners of corporate bonds) with the utmost suspicion. Defaulting on debt or inability to pay coupon payments on bonds or on promised dividends is

#### Gilt Complex

Gilts are usually issued for £100 each but come in various types and maturities – which means that the issuing and paying back of government debt is a far from straightforward business. The defining features of a conventional gilt are its 'coupon' (the interest payment) and its maturity, both reflected in the name of the gilt e.g. 8% Treasury 2013, a gilt which pays 8 per cent a year – in other words £8 – and for which the government will pay back the initial £100 in 2013.

Other gilts are 'index-linked' in that the coupon and final repayment amount are linked to movements in the Retail Price Index, while another category are undated or 'irredeemable' gilts such as 4% Consols, gilts often originally issued in the nineteenth century and which pay a regular coupon but for which the government is not bound to pay back the original sum advanced at any set date. The vast majority – nearly three-quarters – of UK gilts in issuance today are of the conventional variety and these are clustered into 'shorts' of under seven years maturity, 'mediums' of seven to 15 years and 'longs' of over 15 years.

## Bond – Licence to a Killing

Generally bonds pay a fixed rate of interest on issue, eg 4%, or £4 on a £100 gilt, but secondary trading might push the 'running yield' up to 5% as this is the rate investors want. To achieve this 5 per cent the price of the gilt would need to fall to £80 with a fixed £4 payout (£4 being 5 per cent of £80 not £100).

What this means is that, when the gilt is finally redeemed at its original price of £100, the gilt owner who bought it at £80 stands to make a profit of £20. This promising information is factored into the running yield they receive, giving a somewhat higher 'redemption yield', as it is called. So in essence, this redemption yield is the running yield also taking account of any capital gains (or losses) due from buying the gilt at above (or below) its face value.

one of the greatest corporate sins and companies deemed at risk of default have their bonds rated as 'junk' and are punished by markets.

Recent examples of those falling foul of financial markets because of a perceived inability to service their debts would not only include the banks but also major companies like William Hill and Premier Foods which have had to go back to their shareholders cap-in-hand asking for money to reduce their debt and shore up their balance sheets. Yet, a company like BP can have a temporary dip in its share price but otherwise largely escape the type of battering from the markets meted out to others despite its involvement in one of the biggest and costliest environmental disasters of all time. And the reason . . . ? BP's net debt is little over one year's typical profits (last year being \$20 billion) and it has a flexible debt structure. In other words, it is highly cash generative, has headroom on its debt and so investors have more confidence it can meet its financial obligations.

### Little headroom

Like companies, some countries have more headroom to tackle their financial situation than others. Where confidence in government finances are high and where debt servicing is manageable, governments

will be able to issue bonds at rates that are not exorbitant and thereby finance their expenditure. This also applies to governments that have more headroom to increase taxes because state spending in the economy is lower (another reason why the US and UK have been seen as safer havens for bond investors than countries like Greece).

But in truth there is an historical element to this as well. The story of the last 20 years or so isn't that there has been a massive explosion in government debt – the explosion in debt has been in *personal debt*. In the US this rose from 80 per cent of average disposable income in 1990 to over 140 per cent, and in the UK a similar measure of personal debt rose from 100 per cent to 170 per cent of household income under New Labour (*Financial Times*, 9 August 2008). By contrast, while government deficits in a given year are now significant (a record £159 billion or 11.4 per cent of GDP last year in the UK) and have caused some market wobbles, the accumulated national debts of most countries have not been particularly high by historic standards.

Because of inflation over time, the big number headline figures of billions and trillions are misleading, and percentages give the best picture. By way of example, total accumulated national debt as a percentage of one year's GDP is currently around 70 per cent in the UK. According to figures from the Bank of England this compares with over 250 per cent in 1946 at the end of the Second World War. Indeed, for

booming and were paying back the national debt as quickly as they could, reducing national debt to GDP ratios to well below 50 per cent in both countries for a while.

What this means practically is that it usually tends to be sudden upward *changes* in the rate and nature of government debt that tends to really spook markets, drain them of confidence and lead to the type of government austerity measures we are now seeing, rather than particular total levels of debt as such. Indeed, a comparatively healthy economy like Singapore's has a national debt equivalent to 113 per cent of GDP, while – perhaps counter-intuitively – Uganda, Iran and Mozambique have national debt of less than 20 per cent of GDP. After myriad failed government stimulus programmes over the last two decades Japan has accumulated the second highest national debt to GDP ratio in the entire world (after Zimbabwe) but despite its ongoing problems has comparatively little difficulty borrowing funds via the bond markets.

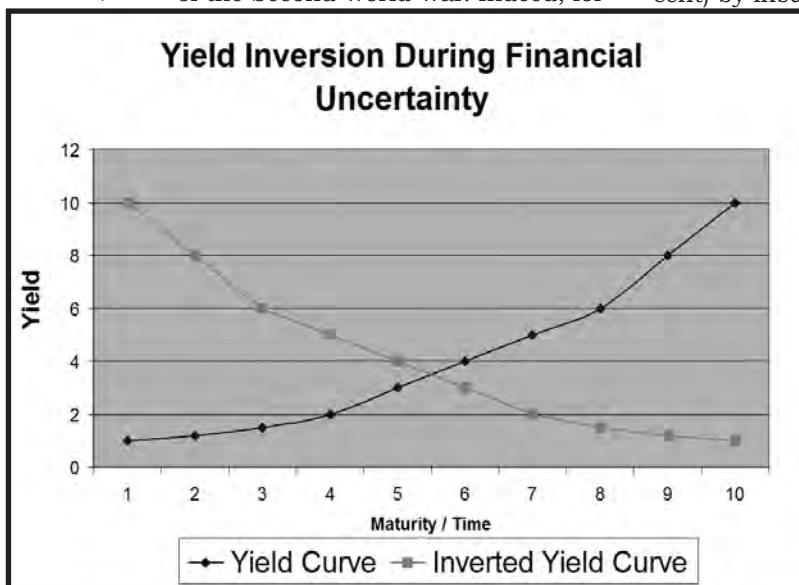
### You can't buck the market

What is certain from all this is that governments are far more like companies than they would ever generally like to admit, and certainly cannot 'buck the markets' and market perceptions, which are always crucial. But then again, who are 'the markets' anyway?

The market for UK gilts is typical and is dominated (at around 40 per cent) by insurance companies and domestic pension funds, followed by overseas investors and financial institutions, hedge funds, etc (at 35 per cent). The rest is made up of recognised collective investment vehicles like unit trusts, by banks and lastly by households (households being less than 3 per cent of the total). In other words, the bond markets – like the equity, commodity and currency markets – are dominated by the big capitalists and institutional investors. Their flows

of investment capital are substantial and cross national boundaries at the press of a button. These are the people always on the look out for gilt-edged opportunities in life. The laws of the market economy dictate that no government will – or can – argue with them for long.

DAP



all the period from the start of the First World War in 1914 until the early 1960s it was far higher than it is now, and the situation in the US has been very similar in percentage terms. Indeed, only as recently as 10-15 years ago governments in the US and UK were running big budget surpluses when the economy was

# Practical Politics

*Capitalism is an insane system which cannot be made fair by reform or regulation.*

**D**emocracy is a tremendous potential that is locked up in the capitalist system. In countries that hold democratic elections the majority have so far continued to vote in a capitalist government of one sort or another. Once every four years power is put into our hands and we ritualistically give it away again.

In capitalism a small minority has vast extra power beyond the democratic process, because capitalism is a system of financial ownership in which they own, in the capitalist sense, and thus control, resources, production and distribution. Whatever government is voted in to be the 'leaders' in capitalism they represent the majority only in that the majority agree, with whatever degree of awareness, to them enacting the will of this minority owning class. Where there are genuine intentions to help workers, protect the environment etc,

these soon come up against the power behind the parliament which is not 'the people'

as we are led to believe, but the capitalist owners.

This minority capitalist class is comprised of various groups both within and between states that compete for profits to keep power and position. How these conflicts will affect workers is a minor consideration if it is considered at all. The often tragic consequences for individuals and communities when jobs are outsourced to reduce costs, or when one company loses out to another are considered to be acceptable. All the horrors of war are considered acceptable. It is portrayed as acceptable, indeed glorious and noble that workers should go to war; but the truth is kept hidden that it is on behalf of their masters. It is presented as acceptable and necessary that billions if not trillions of dollars be spent on weapons systems and armies every year to maintain and increase the business domains of the rulers, whilst public services are cut and people are trapped in poverty. And capitalism's inevitable economic recessions increase hardship. As well as public services being cut even more, small community-based businesses are hit, conglomerates or large corporations take over and power is further concentrated into the hands of a few who know little of the areas over which they have control.

Nor do they much care except about how they can profit from it.

To agree to capitalism is to agree to tyranny;

to the continuance of a system that maintains and causes injustice and conflict world wide. We are told that everything would be a mess without the capitalist system, but apart from the inexorable efficiency of profit making for a small minority, it is capitalism that is the messer. In terms of the wellbeing of the working class – and of humanity as a whole – capitalism holds us back from taking giant leaps in efficiency. This is because the financial system prevents us in numerous ways from cooperating directly for mutual benefit.

## **Wealth and power**

All financial wealth comes from the raw materials of the planet and the labour of the workers – who are the majority, however, this majority is involved very little in decision-making about how the work is done or how the wealth is subsequently used. This means that in the main we live as the capitalist class want us or allow us to live, we do the jobs that the capitalist class want us to do, and we do them in the way that the capitalist class want us to – not with the priority of supplying for need, but to maximise their financial profits. It seems likely that lack of cooperation with each other and our environment using all our faculties and directly for wellbeing contributes to the mental and emotional disaffection from each other and from our environment which is prevalent in modern society.

The capitalist class gets profits from the labour of the workers. So basically the workers pay for the capitalist class to have more money than them – large amounts of which are used for the instruments and conduct of war to protect or extend the interests of the capitalist class. Then we have to pay to buy back the necessities of life that are products of our labour. Then out of the kindness of our hearts we give to charity. This money is largely used in attempts to clean up the mess that the capitalist class has made in the world, i.e. we pay so capitalism doesn't look so bad. Then, when we need money we have to borrow from the wealthy – and guess what? We also have to pay – so more profit can be made. We work, work, work and we pay, pay, pay, and pay.



It stands to reason that for healthy and enjoyable life, what we need is to be able develop and use our knowledge of what is practical for healthy and enjoyable life. But we have not been free to do so. This is because, as noted, the majority of power is held by a small minority, and because they have to pursue financial self-interest in the competitive capitalist market place or lose their privileged positions. This minority has the financial power to lobby politicians to get favourable policies for their profit making, but the whole financial system is constructed to function in favour of this anyway; to maintain the ruling class. The longer this continues the more obvious it becomes that what is helpful for maintaining the class system is harmful to workers, to communities, and to life on Earth in general.

### The exploitation of democracy

There is indoctrination simply by living in the capitalist system that it is 'normal' and 'right', and the capitalist-controlled mass media tends to hide, distort or distract us from unfavourable facts about the system and our potential to overcome it. Revolutionary ideas are usually kept out of the picture, and when they do appear it is usually in the context of being misrepresented, ridiculed or demonised. People fall for this to varying degrees, and it is questionable to what extent the majority in 'democratic' countries believe themselves to be free or are satisfied with the system, and to what extent they stick with the system due to not knowing enough about how it functions nor about a viable alternative.

We do of course have some freedoms that are lacking in other parts of the world, but how much of this is 'freedom' as long as we comply? Freedom to choose between dictated choices? And how much of what has been fought for and won through previous generations could, and indeed is being taken away? Democracy is exploited by the capitalist class as disguise for the basic set up, which is mass exploitation of workers for minority gain, and not for the wellbeing of society as a whole. This basic set-up means that even

the freedoms that we have in law are severely curtailed by the economic forces – by not having the means to do what we want. We have political but not economic democracy.

Democratic ideas are also exploited as a 'justification' for wars which are actually engaged in for financial profit. Via governments, but otherwise much like any of the more obvious despots, the capitalist class wields the power of armies and weapons of mass destruction, and of the mass media. As already alluded



*More people than ever before are being forced into city slums*

to, public opinion can be influenced by what is put in and what is left out of 'the news', and by how it is told. Even invasion and militarily enforced business expansion with millions of casualties (deaths, injuries, trauma, loss of homes, families, communities and livelihoods), is now called 'bringing democracy'. The 'democracy' that is brought, of course comes along with financial and mass media backing for the candidates that support the business plans of the invaders.

### Profit or waste?

The victories for sanity that occur in the world are despite capitalism, because capitalism is an insane system. Capitalism cannot be made sensible and fair by reform or regulation because it is not based on cooperating to supply what we need, efficient use of resources, appreciation of beauty or being humane. It is based on competition for profit; on capitalising without conscience. The rules of capitalism work for a privileged few, and not for the common good for people and the biosphere. Calls for equitable reforms or regulations to protect our environment are frequently drowned by loud demands

for profit. If they do make some headway, they exist precariously in a sea of troubles, and can as soon be swept away again by the next financial crisis or state of war.

'Can't pay? Can't have!' and 'No profit? No production!' That is how capitalists have to function. Where needs are supplied in some form this is incidental; it happens to be necessary for the profit making. Any benefits that are claimed to come from capitalism actually come from the workers, who could do a much better

job without it. These ideas seem strange to many because we have been largely conditioned to believe that we can't do without it, that we need states, borders, rulers and money – the system as it is; and faced with the horrors that the system creates we are as far as possible conditioned to not care. We are separated and set against each other by the profit system which

encourages rage, greed and envy, and directs it into nationalism, racism, prejudice between more and less financially well off groups and indeed unsympathetic and irrational judgment of every sort. All this division is very useful for the capitalist class in that it makes us easier to rule. It makes us agreeable to their policies that cause poverty and war. It makes recruits willing to bomb, shoot and torture their fellow human beings. It tends to divert us from, and leave undeveloped the human potentials to question, to study cause and effect, to empathise, communicate, unite and organise.

As capitalism has spread around the globe, money has become the main controlling and deciding factor in much of our behaviour. The profit priority of the capitalist class results, amongst other things, in wages being as low as possible, and thus generally the priority for the workers is to buy the cheapest. Because the cheapest can be provided by mass production and supply, this also feeds into the dominance of big business producers and suppliers, which together with the drive for financial profit has had, and continues to have, profound

# “When we unite to remove money and class division from the equation, and replace it with common ownership and democracy, our energy will be set free to develop a healthy society and a healthy environment”

and drastic effects on society and the environment.

For profit large companies/corporations can source and manufacture goods around the world where land is cheap, where low wages can be paid and where there are fewer environmental regulations. This results in, for example, deforestation, child labour, subsistence wages, land and water pollution and long distance transportation of goods adding carbon emissions into the air. It is now conventional to go along with practices which damage our communities and our living environment, and a lot of the profits made from exploiting workers are used for advertising products that are actually harmful in some way; things that that we do not need or would not need if we could sensibly organise the way that we live.

For profit, there is sacrifice of quality, abusive treatment of workers, cruelty to animals, and ecological devastation. For example, a huge amount of waste of resources is involved in built-in obsolescence. The cost of getting something mended locally is made prohibitive (by the price of parts and transport costs) so that we just buy a new one from the multinational. Vast amounts of energy are also wasted on running the financial system, on protecting it, on war, and to present the whole thing as the pinnacle of civilisation. This energy could be put into enhancing the wellbeing of our communities. Capitalism is tragically wasteful of the abundant resources of the Earth and of technology. All that waste to maintain something that we really don't want! Something that is bound to be unhealthy; the undemocratic power of a minority.

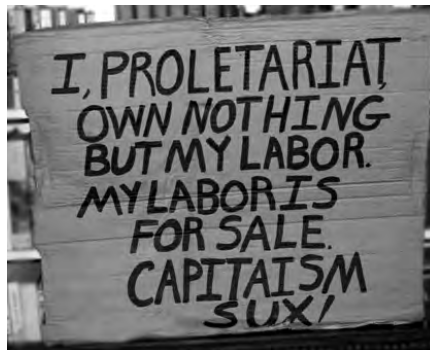
## Stress and scarcity

There are resources and technology enough for everyone to be well supplied, but capitalism results in poverty. Poverty is caused by war; by the resources of land and sea being taken for profit; by environmental damage, local and global; by disposing people of the means of life. Population growth is also largely produced by the artificial scarcity of capitalism. It has been shown that population growth begins to decrease where people have a reasonable standard of living and education

– which is possible. But in capitalism that costs money...

It is a measure of the unhealthiness of the capitalist economy that it is unsustainable; it is destroying the living environment that supplies it; and environmental damage is increasingly a factor in causing poverty and conflict.

More people than ever before are starving or malnourished/lacking clean water/suffering from curable diseases/losing their land and communities and being forced into city slums. More people than ever before live on rubbish dumps. More people than ever before are imprisoned.



More young people than ever before are imprisoned. More young people than ever before are abandoned and homeless. More young people than ever before are involved in the sex trade. Depression and addiction are common and even those with what is called a 'good standard of living' tend to suffer in this system. The diseases of capitalist affluence, that are lifestyle and stress related, are prevalent.

These are not just problems that capitalism hasn't got around to solving yet. Nor is it just what capitalism allows, it is what it produces. Neither does capitalism respond to the need to solve problems that it has produced. Concerning global warming, for instance, the whole system ferociously resists making the radical changes that are needed to protect our environment. Instead, we are taken to war to secure more oil supplies. This is typical of the catastrophe of capitalism.

## Majority support

What we are getting is clearly not what the majority of people want, but by exploiting the prejudice, sepa-

ration and general ignorance that capitalism breeds, the capitalist class continues to rule us with majority support. The innumerable problems and ills in our society are blamed on human nature, and some suggest that the problem is therefore democracy. But capitalism by its nature denies the majority, in one way or another, of opportunities for individual and social improvement and instead rewards mindless compliance with damaging activities and ruthless, exclusive, short-term self-interest.

The problem is that we do not have enough democracy. The working people supply the goods and services in society, but suffer from the conflicts of capitalism and are constrained by financial rules and pressures that do nothing except maintain a disastrous system. Instead we can organise ourselves to claim common responsibility for resources, production and distribution and free access to the goods and services that we provide. Communities can then access the resources and technology that they need. We can also reap the benefits of everybody's experience and exercise our powers to cooperate, doing the work that we wish to do directly for the wellbeing of our communities and the wider environment that sustains them.

Capitalism is a perverting and corrupting influence and always involves deprivation and slavery in various forms. It is now in a particularly ubiquitous phase and the situation for humanity is deteriorating. People run gallant campaigns to help others and to protect the environment, but in capitalism, although there are some temporary successes, this is a losing battle. When we unite to remove money and class division from the equation, and replace it with common ownership and democracy our energy will be set free to develop a healthy society and a healthy environment.

L.B.



# ALIENS!

MILLIONS OF AMERICANS BELIEVE THAT ALIENS HAVE LANDED FROM OUTER SPACE. THOUSANDS OF AMERICANS CLAIM TO HAVE BEEN ABDUCTED BY ALIENS AND TO HAVE SEEN INTO THEIR FLYING SAUCERS.

The descriptions they give of their abductors usually tally closely with the "creatures from outer space" which have appeared in science-fiction dramas on American television. (Interestingly, America also has the most religious believers in the Western world.) These aliens must have come vast distances before they land in Wyoming or wherever. The nearest star to Earth (apart from our own sun) is Alpha Centauri,

more than four light-years away. If the aliens came from any planet around Alpha Centauri, they would have to have a space-ship travelling at the unimaginable speed of one hundred million miles per hour – and even so it would take them twenty-five years to get here. (If they dawdled along at only a million miles per hour, the journey would take two thousand five hundred

years.) So it is strange that having come so far they don't hang around a bit and let us all see them. A flying saucer landing in Trafalgar Square during the rush-hour would settle the question once and for all. So why do they apparently scurry back home so quickly? Here is a document that may throw some light on the matter. But whether this is a genuine account, or merely a bit of fiction, readers must decide for themselves. If it is genuine, it may indicate why any aliens would not want to delay their return trip.



I was in the middle of the Cairngorm Mountains in the Scottish Highlands, miles from any human habitation, when I saw a group of men approaching me. I knew they were from outer space, because they all had pointy ears like Mr. Spock in Star Trek. When they got near enough, one of them said "Greetings, Earthling!" another clue: not many ordinary humans talk

like that. "We bring salutations from outer space!" I understood every word, and that was a stroke of luck, because out of all the six thousand languages spoken on Earth, they had

happened to learn the only language I knew.

"We have been reading the news on your internet," the alien spokesman continued, "and we wish to condole with you on your recession. Hundreds of your schools were going to be rebuilt or refurbished, and now very few of them are. A sad business!" He shook his head. "So there are no people available to do all this rebuilding."

"Oh yes!" I assured him.

"There are two and a half

million unemployed in this country, including lots of builders, plasterers, plumbers, electricians, and so on – and lots more of the jobless could quickly learn these skills. The country is full of people who could teach all these useful trades."

"I see!" said the alien. "So it's bricks, and cement, and pipework, and paint, electric wiring and so on you are short of."

"Not a bit of it! Since the recession, builders' merchants' yards up and down the country are full of all this stuff."

"But perhaps the authorities are keeping all these materials in reserve for other important building jobs, in case you run short of raw materials?"

"No, no, nothing like that. All the raw materials – clay for bricks, metal for pipes and wires, colour for paints – there's more than enough, up and down the country."

The alien – and his friends appeared puzzled. Then he brightened up.

"Ah, I see what it must be.

Transport! You've got all these things, but you can't get them to where they are so desperately wanted."

"Not a bit of it," I insisted. I didn't want him to think we were that backward. "We have fleets of great trucks, under-used because of the recession. The country is crossed with excellent roads, well surfaced with tarmac. All these materials could be delivered anywhere in Britain within hours."

The aliens went into a huddle, and jabbered away in their own language. Then the spokesman piped up again.

"Let's get this straight. You people here in Britain all want these schools to be built or repaired. You have plenty of people standing around idle who would love to do all the work, if only because their children are being educated in inadequate and ill-equipped schools. You have all the materials, and all the transport you need to get them where they are wanted. So – excuse me if I seem a bit obtuse – why don't you just do it?"

"We haven't got the money, of course!"

A longer pause this time.

"Er – what is this 'money'?"

I smiled. How could anyone not know that?

"You know – money, dubs, spondulicks, the ready! Coins – little round bits of metal, though most of it is paper, nowadays. High grade paper, of course, with nice designs on it – in colour, too."

"This paper," said the alien, with a baffled expression. "What does it do?

Can you use it instead of bricks? Or instead of slates on the roof?"

"No, of course not!" Privately I thought that surely space voyagers who have been able to journey billions of miles could get hold of such a simple idea. I tried to explain. "People hand it to each other. Well-off people have to hand some of these bits of paper to the government, then someone hands some of it to the people who make bricks or carry them along the motorway. The actual builders and pipe-layers and so on get some bits of paper each Friday."

More bewildered conversation among the aliens.

"This paper – high-grade paper as you say, with coloured designs – can't keep the rain out, or hold the roof up, or carry water or electricity round the new buildings?"

"No, of course not," I said, laughing. "It would just collapse if you put any strain on it, and any water in a paper pipe would just run away. And if you tried to make electric cables out of paper they would probably catch fire!"

"But if you don't have these pieces of coloured paper, even though they are only feeble, useless stuff," said the alien, "you can't have these schools rebuilt and so on?"

"Exactly," I said. "Now you've got it. Without these pieces of paper, no food is grown or eaten, no clothes are made, no buildings go up – nothing happens. We all have to pass these pieces of paper around to each other, or everything comes to a halt. In fact most of us here on Earth spend a large part of our time handing these pieces of paper on to other people. Every organisation has many people who spend their lives writing down figures about all these pieces of paper: doing sums, all day. In fact some great concerns don't do anything else – banks, credit card companies, insurance companies, people concerned with revenue and taxation – all of them spend their lives fiddling with these bits of paper."

The aliens all looked at each other. I saw several of them pointing a finger to their own foreheads, and making a kind of circular motion with the finger, while pulling a face. I wonder what that means in alien language?

After some more unintelligible conversation, the spokesman said that they had decided to get back in their flying saucer and get away as soon as possible. I thought I heard him say something like, "I thought we were told there was intelligent life on this planet!" but perhaps I mis-heard.

**ALWYN EDGAR**



# BIG

# SOCIETY

or Little Trick?

*Cameron's Vision Thing  
is too obvious to fool*

If you are a professional politician your job, as a minister when your party is in office, whether on its own or in coalition, is to take part in managing the general affairs of capitalism in your country. Politicians are elected and so you have to win popular support. Just to say “we’re a better capitalism-management team than the other lot” is hardly inspiring, even though most people do see elections as being about choosing the least objectionable set of politicians. National politicians have even been described as the mere middle management of international corporate capitalism.

As a politician in office you also have to win a degree of popular support for the policies capitalism obliges you to pursue. It’s not enough to be truthful and say “I’m just reacting to whatever problems the uncontrollable workings of capitalism place on my agenda”. You have to give the impression that you are working towards a better life for everyone. Hence the need felt by

politicians to do what George Bush called “the Vision Thing”. You must give the impression that you are engaged in doing something more than the mere routine management of capitalism. It rarely works, but politicians still try it from time to time. The latest is Cameron and his “Big Society”.

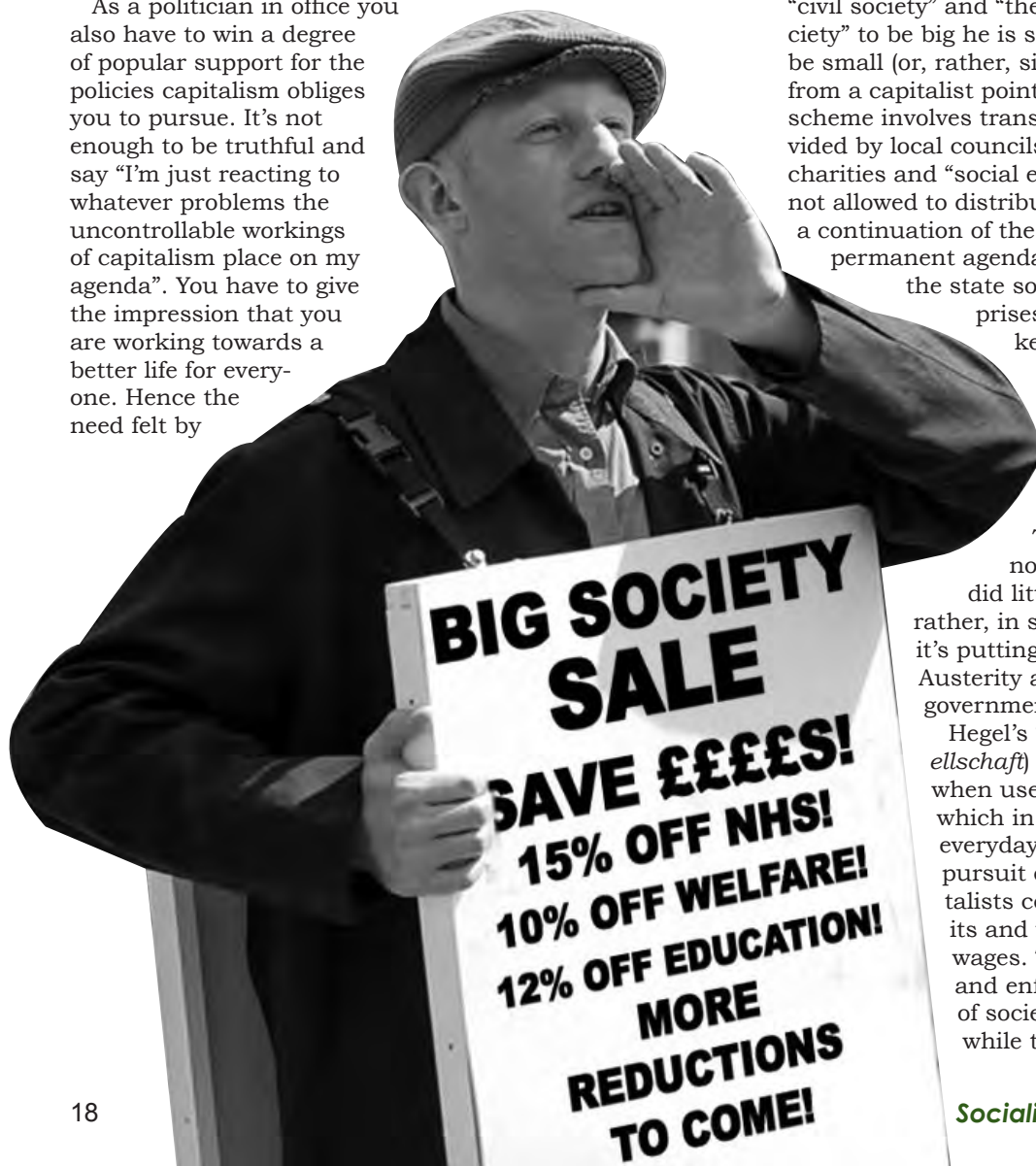
## State and society

Cameron’s “Big Society” is based on a distinction between “society” and “government”, reflecting that emphasised by the German philosopher Hegel between “civil society” and “the state”. In saying he wants “society” to be big he is saying he wants government to be small (or, rather, since that would be going too far from a capitalist point of view, for it to be smaller). His scheme involves transferring some of the services provided by local councils to the “voluntary sector”, i.e. to charities and “social enterprises” (enterprises that are not allowed to distribute their profits). In other words, a continuation of the Thatcherite programme – and the permanent agenda of big business – of rolling back the state so that taxes on capitalist enterprises can be reduced allowing them to keep more of their profits.

Transferring services to the voluntary sector will save money because those working in this sector are generally paid less and have less job security than local government employees.

The “Big Society”, then, turns out not to be a grand vision but a sordid little exercise in cheese-paring. Or rather, in so far as it is a longer-term view, it’s putting a positive spin on the New Age of Austerity announced by Cameron and his government.

Hegel’s “civil society” (*bürgerliche Gesellschaft*) is often translated, especially when used by Marx, as “bourgeois society”, which in fact is what Hegel meant: the everyday economic activities of people in pursuit of their personal interest, capitalists competing for markets and profits and workers competing for job and wages. The state he saw as representing and enforcing the overall general interest of society as a whole. Marx showed that, while the state did indeed represent



an overall general interest, it was not that of society as a whole but that of the bourgeoisie, the capitalist class, as a whole.

The state is defined not just by socialists but even by conventional academics as a institution with a monopoly in the employment of legitimate force within a given territory. But the state is more than just force. It is also the centre of social control and as such has responsibility for carrying out various administrative tasks essential to the continuation of society such as, these days, education, health care, looking after the vulnerable, town planning and many others.

It is by no means self-evident that these necessary services would be better performed by charities and other civil society organisations than by national or local government. In fact the likelihood is that in most cases they won't be or won't be sustainable. But that's not the point. They will be cheaper. That's the point.

### Voluntary work

There is one interesting aspect of Cameron's plan. Relying on volunteers to do certain things accepts that there is such a thing as voluntary work, which the ideological defenders of capitalism usually deride. According to them, people are motivated to work only by monetary compensation or by the threat of starvation. In seeking to take advantage, even if only to save money, of the undeniable fact that millions of hours of voluntary work are engaged in by people all the time, the government is unintention-

**“The ‘Big Society’, then, turns out not to be a grand vision but a sordid little exercise in cheese-paring”**

ally conceding an important point to socialists. People are motivated to do socially useful work by reasons other than money and so could be relied on to do this too in a socialist society.

In a sense socialism will be a “big society” in that it will be all society and no state. However, what we mean by both “society” and “state” is different from what Cameron means. By “society” we don't mean bourgeois civil society where everybody has to fend for themselves to get a living, but one based on the common ownership of the means for producing useful things where everyone will be guaranteed a decent living by virtue of having free access to what they need. What people need will be provided by society and will not depend on their own initiative or competitive effort.

While the coercive aspects of the state – what makes it a state and which Cameron has no intention of downsizing – will have disappeared, many of its administrative functions will remain. There will still be central and local councils, though much more accountable and democratic than today and whose personnel won't be able to allocate themselves any material privileges as everyone will have free access to what they need. In these changed circumstances there is no reason why some of the services provided by these administrations today should not continue to be. On the other hand, there will be scope for some of them to be provided by groups of volunteers. It will be up to the local communities of the time to decide. But the debate then will be a genuine debate about the best way to organise things in the common interest. Not the smokescreen to disguise cost-cutting in the interest of the capitalist class that Cameron's “Big Society” is.

**ADAM BUICK**



## Defending capitalism

CAPITALISM IS indefensible (except if you are a capitalist). But that doesn't stop people trying. One recent example is Lucy Turnbull, member of the Australian Liberal Party and former Lord Mayor of Sydney. “Capitalism is still the only system that works,” she asserted in the *Sydney Morning Herald* (9 August).

According to her, “price signals, fair markets and free trade are the cornerstones of the capitalist system for creating goods and services”. Prices, markets and trade certainly are features of capitalism but she manages to omit two other, key features: the class ownership of the places where goods and services are produced and production for profit. Without these capitalism wouldn't be capitalism.

Prices may signal to people and firms what to buy, but it is profits that signal to capitalist firms what to produce. Unless prices are high enough to allow capitalist firms to realise a profit they can signal as much as they like but no production will be forthcoming. In addition, some needs don't register at all if the person hasn't got the money to pay to satisfy them. In which case they go unmet.

“Fair markets” and “free trade” are not essential features of capitalism but policy objectives that sections of the owning class sometimes want the government to pursue. At other times subsidies and tariffs have been preferred. Turnbull has made the mistake here of identifying capitalism with a particular policy.

She makes some extravagant claims for her conception of capitalism:

“It alone harnesses the reality of human nature – our continual striving for progress and our competitive instincts to do our best.”

No doubt people do want to do their best, but what has this got to do with competition? If it is part of “the reality of human nature”, then this would continue if the capitalist rat-race to avoid falling into poverty is replaced by cooperation to ensure that nobody's needs are neglected.

Competition in fact prevents many people from doing their best. Capitalist firms compete to make profits by trying to keep their costs below the average for their sector; the lower their costs compared with their rivals the more sales – and profits – they can expect to make. It's a race to the bottom with speed-up and pressures to get a job done quickly taking precedence over taking the time to do it properly.

Turnbull also claims of capitalism: “It alone is compatible with political and democratic freedoms.” Capitalism may well be compatible with political democracy but it's also compatible with a restricted franchise (as in the 19th century) and political dictatorship (as in many countries now and in the past). Capitalism impedes the carrying out of democratically-expressed wishes to improve housing, health care, education, transport and the like as the workings of its economic laws force governments to give priority to profit-making over these. When it comes to production capitalism is undemocratic. The moment a worker enters the factory gates or the office doors they stop being a “free citizen” and become subject to the authority of the employer.

Socialism alone is capable of ensuring a genuine democracy as, with the means of production the common heritage of all, everyone will be able participate on an equal basis as nobody would have a privileged say in how the means of production are used and nobody would have a privileged share of what is produced. Under democratic control the means of production can be used to satisfy people's needs not to make a profit for the few.

### Dig deeper for socialism

**Crack Capitalism. John Holloway, London: Pluto Press 2010, £17.99.**



John Holloway's previous book, *Change The World Without Taking Power*, was relatively popular and the focus of much debate and discussion, at least in the relatively small

circles where you find anti-capitalist activists. A lot has happened since the book's publication in 2002, but you wouldn't know it from reading Holloway's latest, *Crack Capitalism*, which makes more or less exactly the same arguments.

Holloway's main point is basically that of 'autonomist marxism' and there is one great island of strength in this, which readers might drag themselves onto if they don't first drown in a sea of verbiage. It can be summed up in a paragraph. It is that the world's workers create capitalism by going to work. Capitalism is therefore not a thing that stands outside and over and above us, but a social relationship that we create everyday through our daily activities. If we understand this, we can, if we want to end capitalism, merely stop creating it and do something else instead. In fact, according to autonomists, this is actually happening all the time – every time we refuse work, go on strike, call in sick, or even, if Holloway is to be believed, dig our gardens. The workers of the world are always resisting their exploitation, even if only in their own, small, personal ways, and even if they're not conscious of exactly what it is they're doing. The task is merely to extend and expand and 'circulate' the struggles. Holloway calls these struggles the 'cracks' in capitalism. What we need to do is find the cracks, and work hard to make them bigger. "The opening of cracks is the opening of a world that presents itself as closed," says Holloway. This is a neat way of summarising a fundamental Marxian proposition about class struggle as the motor that drives change. The strength of the argument is that it puts the power and potential for change back where it belongs and where it in fact really lies: in our own hands. The

weakness, however, is a very serious one. It is that it risks evading the real difficulties that remain.

According to Holloway, the ranks of the "anti-capitalist revolutionaries" are impressively large. They include the composer who expresses his anger and dreams of a better society through his music, the worker who bunks off work to go read a book in the park, the "gardener who creates a garden to struggle against the destruction of nature", the friends who form a choir for no good reason except their love of singing, and "the young man in Mexico City who goes to the jungle to organise armed struggle to change the world". The key to becoming fully human, says Holloway, "is simple: refuse, disobey." If this didn't happen, there would be no grounds for hope in a socialist future at all. But if it was enough, then surely capitalism would have collapsed long ago – in fact, could never have got off the ground in the first place.

Imagine, says Holloway, borrowing a metaphor from an Edgar Allen Poe story, that we are all in a room. We are all in it together – some sitting on a comfortable couch, others cramped miserably in a corner, perhaps; but in it together nonetheless. There are four walls, a ceiling, but no windows or doors. And the walls are advancing slowly inwards, threatening to crush us all to death. How would we respond to such a situation? No doubt, says Holloway, some would just refuse to see what was happening and distract themselves instead with the latest offering from Disney. Some would perhaps denounce the walls, but not propose to do anything about it, while others would look forward to and dream of a day when there were no walls. Then there are those like Holloway who would instead run to the walls and try desperately to find cracks, or to create them. In an unintentionally hilarious conclusion, which speaks against his whole argument, Holloway imagines these activists banging their heads against the wall "over and over again" until the wall comes crumbling down. Holloway, for all his straining after poetic effect, doesn't seem to realise that, in the repeated encounters between a head and a brick wall, the wall very rarely gets the worst of it.

To take another of Holloway's metaphors, and turn it against him, perhaps the cracks in capitalism are more like the cracks in mud than the cracks in a wall – one short spell of rain can wash them away without trace. To understand this and organise to counter-act it, to get to

the stage where the class struggle of our side could conceivably counter, say, capital flight to the other side of the world, or the organised violence of state power, requires exactly the kind of big-picture thinking and dedicated, disciplined organising that Holloway dogmatically opposes.

We in the Socialist Party do not of course oppose most of the activities that Holloway places his hopes in. As individuals, some of us enjoy gardening, for example; and most of us are active in trade unions and similar organisations, even if we do not take up arms and head out into the Mexican jungle. But we do not flatter to deceive, nor dodge the most difficult questions. The problem we have to face is that, in the class struggle, the odds are nearly always against us, and that to build a socialist future, we need a mass organisation of people who know what it is they want and are prepared to work to achieve it. As Engels put it, "The period for sudden onslaughts, of revolutions carried out by small conscious minorities at the head of unconscious masses, is past. Where the question involves the complete transformation of the social organisation, there the masses must be consulted, must themselves have already grasped what the struggle is about, and what they stand for." Holloway's work is in many ways an ingenious dodging of this immense task. But the task remains and will remain as long as capitalism does. It's time we faced it.

**SJW**

### Saving the planet

**PLAN B 4.0 Mobilising to Save Civilisation. Lester R. Brown. Earth Policy Institute. W.W.Norton and Company. \$16.95. (Book downloadable for free from The Earth Policy website [www.earthpolicy.org](http://www.earthpolicy.org))**



The book is built around what Brown sees as four mutually dependent goals – stabilising the climate by cutting carbon emissions 80 percent by 2020, stabilising the population at 8 billion or less (a rather contentious and difficult proposition), eradicating poverty and restoring the Earth's

natural systems, soil, aquifers, forests, grasslands and fisheries. 'Plan B is the alternative to business as usual – the ambitiousness of the plan is not driven by perceived political feasibility but by scientific reality.'

The early chapters lay out the extent of the challenges he sees presented by pressures on water and land, climate change and the transition to non-fossil fuel energy, followed by chapters laying out his response to each of these areas in well documented detail. He offers plenty of evidence to show just what could be achieved in a relatively short period of time *if there is the will to do it*. However, in the capitalist system we live in this, *the will*, is what is so often shown to be lacking.

The chapters are crammed with solid information, some citing examples of good practice around the world, examples which could be followed with advantage to both people and planet. With his use of unemotional, dispassionate matter of fact language which presents the plan as realistic and rational it could be difficult for some to grasp why world leaders haven't already grabbed the concept and run with it.

It is in chapter 10, the last chapter, that, as socialists, we get what we know to expect somewhere along the line; the let-down of how we are actually expected to put this plan into practice. Up to this point socialists and non-socialists alike could agree that here is a plan about which we could largely have consensus. It would appeal to most rational thinking people who believe we have to address immediately the problems that are facing us right now. But we are about to be divided again. It is the *means* to the end that divides us.

Non-socialists will accept without question that there is an economic equation to be discussed and will believe that politicians will be focussed in this direction for the good of the planet, reforming taxes and subsidies to achieve the objective and



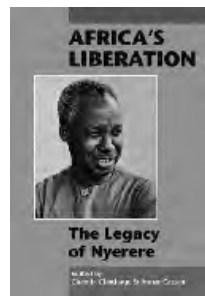
if they're not then pressure will need to be brought to bear on them. This would be some of the action required.

Socialists, on the other hand, will simply want to point out that it is the use of such methods over the long term that has brought us to where we're at now and it is this very system which perpetuates and deepens the problems. Only a move right away from the capitalist profit system will suffice to save the planet. Business *not as usual* means removing all financial incentives, taxes, subsidies and money itself from the equation, abolishing the wages system in favour of common ownership in a classless society.

JS

## African Narodnik

***Africa's Liberation. The Legacy of Nyerere. Edited by Chambi Chachage and Annar Cassam. Pambazuka Press. 2010.***



If Julius Nyerere, President of Tanzania from independence in 1961 till 1985, had been a late 19<sup>th</sup> century Russian he would have been labelled a "Narodnik", i.e. someone who

thought that a basically agricultural country could move straight to socialism, on the basis of local communal villages, without having to pass through capitalism. The Russian Marxists denied this, but the Narodniks never got a chance to implement their ideas.

Nyerere did, with the Arusha declaration which adopted "Ujamma" ("socialism and self-reliance") as the official state policy of Tanzania. As predicted by Marxists it failed. In fact one of the contributors to this tribute to Nyerere on the 10<sup>th</sup> anniversary of his death in 2009, Issa Shivji, once described the result as the development of a "bureaucratic bourgeoisie" in Tanzania. Today the present Tanzanian government openly embraces (is forced to) capitalist development.

This said, Nyerere comes across as sincere and principled, as genuinely wanting a society of social equality, democracy and without exploitation, and unlike nearly all the other historic African independence leaders power did not go to his head. However, the fact that he was sincere

and incorruptible shows that the problem in Africa (and elsewhere) is not bad leaders but capitalism. Not even a saint can make capitalism - which African countries are currently obliged to accept - work in the interest of all.

It only remains to add that Tanzania in 1967 could have passed directly to socialism but only with the rest of the world following a world socialist revolution. Given that this did not happen, capitalism developed in Tanzania, as in Russia.

ALB

## Party News

The World Socialist Party (New Zealand) now runs two local radio stations: Radio 88.3 Imagine, Manurewa (located in South Auckland) and Radio 106.9 Imagine, Brooklyn (located in Wellington).

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## Meetings

### Norwich

Saturday **9 October**, 2pm  
Forum with the Zeitgeist Movement  
(Norwich)  
93-97 Quebec Road, NR1 4HY

### Liverpool

Monday **11 October**, 7pm  
Meeting for The Socialist Party-curious  
Casa Bar,  
29 Hope Street, L1 9BQ

### Swansea

Monday **18 October**, 7.30pm  
Discussion on Zeitgeist Movement  
Unitarian Church,  
High St, SA1 1LF

### Glasgow

Wednesday, **20 October**, 8.30pm  
INFLATION Speaker: Vic Vanni  
Community Central Halls,  
304 Maryhill Road,  
G20 7YE.

### London

Public Debate  
Saturday **October 23**, 7.30  
POST-CAPITALISM: PARECON OR A  
WORLD WITHOUT MONEY?  
Michael Albert (ZCom)  
Adam Buick (World Socialist Movement)  
Conway Hall,  
25 Red Lion Square,  
London WC1R 4RL

### Lancaster

Monday **25 October** 8.00pm  
'DEATH BY 1000 CUTBACKS'  
Gregson Centre, Moorgate, Lancaster.

## Telegram to British Association



Telegram sent to the British Association for the Advancement of Science at their September 1960 Conference in Cardiff.

TODAY YOU WILL DISCUSS WORLD POPULATION PROBLEMS. MAY WE EXPRESS TO YOU OUR CONVICTION THAT THE PROBLEMS OF MASS STARVATION AND MALNUTRITION AMIDST POTENTIAL PLENTY CANNOT BE SOLVED UNLESS PRODUCTION IS CARRIED ON SOLELY IN ORDER TO SATISFY HUMAN NEEDS, UNFETTERED BY ANY CONSIDERATIONS OF FINANCIAL OR NATIONAL GAIN.

IN OUR VIEW IT IS UTOPIAN AND IRRATIONAL TO ATTEMPT TO SOLVE

THESE PROBLEMS EXCEPT ON A WORLD-WIDE BASIS OF COMMON OWNERSHIP OF THE MEANS OF PRODUCTION AND DISTRIBUTION. MEN MUST ORGANISE TO ABOLISH ALL CLASS AND STATE OWNERSHIP OF THE MEANS OF LIVING – MONEY, THEREBY. BEING RENDERED REDUNDANT. AT LAST MAN COULD GRAPPLE WITH HIS PROBLEMS IN A TRULY HUMAN AND SCIENTIFIC SPIRIT. THE VISIONS OF BACON AND MARX WOULD BECOME THE REALITY.

SOCIALIST PARTY OF GREAT BRITAIN

(Socialist Standard, October 1960).

### 2009 Socialist Standard Index

For a copy send 2nd class postage to:  
The Socialist Party, 52 Clapham High Street, London SW4 7UN

### Autumn Delegate Meeting

Saturday **16** and Sunday **17 October**  
10.30 am to 5.00 pm  
Socialist Party Head Office,  
52 Clapham High St,  
London SW4 7UN  
Open to public. All welcome.

### Manchester

Monday **25 October** 8.30pm  
Discussion on Sport  
Unicorn, Church Street, City Centre.

### New Socialist Party Pamphlet What's Wrong With Using Parliament? The Cases For And Against The Revolutionary Use Of Parliament



Addresses arguments put by others who desire a classless, moneyless society but who do not see parliament as relevant to achieving this.  
**To order a copy complete the form on page 7.**

## 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.



# Marshmallows are not the only sweet

IT IS to be hoped that while some people may damn the Coalition as repressive and impoverishing there will be others who happily acknowledge its vital role in educating us about human behaviour and responses. In particular government ministers have been consistently eager, in justifying themselves to us, to examine how we score in the matter of Deferred Gratification, a concept once so absorbing to sociologists, child psychologists, criminologists and others similarly seeking to explain the need for us to endure so many blemishes on what could be our enduringly fulfilling lives.

For example here is our Deputy Prime Minister outlining a most recent concept of official policy: "...this Government is committed to the long term – to making decisions today that will promote a better future: a more prosperous economy, and a fairer society. Our determination to fix the deficit is matched by our determination to create a more socially mobile society...But in five years' time we want to be able to look back and say that the children born in 2015 are less constrained by the circumstances of their birth...that true progress was made in making opportunity a right of the many, rather than a privilege of the few". (It is worth noting that this kind of empty drivel is not spouted exclusively by Liberals and Tories; in his campaign for the Labour leadership David Miliband assured us that he would bring about "...the redistribution of power in Britain, an assault on inequality of life chances...")

## Marshmallows

It would have been better – nearer the truth – if Clegg and Miliband had said that if we behave ourselves for the present, in the sense of controlling our urges to achieve a less perilous living standard we shall, in due course, come by our reward in the form of a society which through its social mobility is a model of fairness.

This arouses memories of what has gone down in history as the Marshmallow Experiment. At Stanford University in the 1960s a group of four-year-old children were each given a marshmallow and promised that if they waited twenty minutes before eating it they would be allowed to have another. Some of them waited; the others quickly ate the marshmallow. Some years later, when they were 18, they were assessed as to their degree of social adjustment and dependability – the extent of their economic advantage against disadvantage. (It would have been more accurate to call this being profitably exploited in a job against being underemployed). The results showed the children who had stifled their impulse to scoff the marshmallow scoring significantly higher than the others. (Although more than one response doggedly pointed out that it needed only someone averse to marshmallows to score highly enough to invalidate the whole exercise). Perhaps Nick Clegg and his gang might reflect on this, while nursing their confidence about the uncritical acceptance of their pledges for "fairness" and "social mobility".

## Cameron

To forestall any impetuous celebrations at Job Centres where the staff are flooded under the current influx of claimants or on council housing estates where dilapidated

tions lie undisturbed after financial cutbacks at the local town hall, it must be made clear that, whatever Nick Clegg may imply, social mobility is not a universally available opportunity. David Cameron, for example, would not be eligible for this benefit because his status is already high enough to disqualify him. His late father was born into a family where affluence was ingrained enough for him to describe himself as "a nepotistic heir". The advantages in this – for Cameron Senior and for his children including the Prime Minister – were in spite of his being born with a physical handicap which would have been crucially restrictive to the ambitions of a disadvantaged family for their children's social improvement. Whatever Clegg's glib mouthing about social mobility – the opportunity for a family or group to improve their material situation and prospects – it is only rarely that they can be immune to pressures which are out of their control by being built into the fabric of this property society.

## Poverty

And of these the most powerful and persistent is poverty; in this country no other factor has so devastating an effect on the life chances of people – on the likelihood of them being able to benefit from Clegg's Social Mobility. For a long time this has figured prominently in the

meaningless manifestos of the capitalist parties. This was the Labour Party, asking for a second term in 2001: "A single aim drives our policy programme: to liberate people's potential, by spreading power, wealth and opportunity more widely, breaking down the barriers that hold people back." And this was Michael Howard, then leader of the Conservative Party, in the 2005 election: "For me the heart of politics is all about people – their hopes and aspirations. People want the freedom, security and opportunity to get on



in life." Fine words for anyone who allows themselves to be so easily impressed. What has happened since then? Among the mass of evidence, a report published in January this year by the National Equality Panel (a brainchild of Harriet Harman) stated that by the years 2007-2008 income inequality had reached the most extreme level since the Second World War, with the top one percent of the population each owning household wealth of £2.6 million while the poorest had £8,800. Being poor inflicts enduring, accumulative damage to a child's education, to where they live and to their life chances: "...people's occupational and economic destinations in early adulthood depend to an important degree on their origins".

In other words the promises about social mobility, about yet another policy to spirit away the inequality and its social damage inextricably linked to capitalist society are the empty pleadings of political leaders with nothing more original or effective to offer. So let us not be influenced by Nick Clegg and his attempts to persuade us to behave like the good kids with the marshmallows. The need for us to change society is as urgent as it ever was. And marshmallows are deceptive: just sweet and sticky with a very soft centre.

IVAN



# Voice from the Back

## Capitalism In Action

Capitalism is a very wasteful society. When fruit growers have a more than bumper crop it is common to let some of it rot unpicked. When charities ask for the surplus they are told that to give it away would lower the price. These charities at present pay for the crop that is picked. Here is a recent example of this madness in the retail clothing trade. "High Street retailer Primark has been criticised by charities for its policy of shredding damaged and unwanted clothes. Aid organisations have described the practice as "worrying" and "a shame" - saying items could be used to raise vital funds. Primark said the practice was common and was to protect consumers." (BBC News, 13 September) Overlooking the hypocrisy of Primark's "to protect consumers" remark, the purpose of all production inside capitalism is to sell goods in order to realise a profit. Capitalism isn't interested in protecting consumers or aiding charities. Fruit can rot while people go hungry and clothing can be destroyed while people go about ill-clad. That is how the capitalist system operates.

## Modernity, But At An Awful Cost

The advance of capitalism has led to many improvements in technology. None of us would like to imagine a world without mobile phones, computers or digital cameras, but this being capitalism such advances have led to social disaster for some. A major source of the essential ingredients for such technology is the Democratic Republic of Congo. It is from here that gold, tin, tungsten and tantalum originate. It is also from here that we have had the deadliest conflict since the Second World War with an estimated death rate of 5.4 million people. "International agencies have described how paramilitary groups in the region control many of the mine producing gold and the "3Ts" where locals including children are forced to work for as little as \$1 a day. The same groups then help to smuggle the minerals out of the

country, where they eventually end up in laptops, mobile phones and video game consoles." (Times, 18 August) When *The Times* investigators queried the supply of such materials with industrial giants such as Apple, Sony, Nokia, Dell, HP and Nintendo they were very evasive, best summed up by Microsoft's reply "It's very hard to reliably trace metals to mine of origin." It is of course even harder for them to let their rivals have exclusive access to these cheap sources.

## Business Is Booming

It is common nowadays to read of growing unemployment, businesses folding and widespread bankruptcy, but there is one trade that is booming. "Pawnbrokers will soon be as common on the high street as coffee shops and banks, according to the chief executive of Britain's biggest operator. John Nichols, of H&T, said eventually there would be pawnbrokers in every town centre." (Times, 25 August) His forecast was made as his firm announced a 71 per cent leap in its profits over the last six months. It is worthwhile noting what the source of this high street boom is put down to. "Slightly more than half of pawnshop customers use the cash to pay for daily essentials, such as food and groceries, while about six out of ten are not in work, according to Bristol University research released yesterday." (Times, 25 August) Some of us are forced to pawn our



sweetheart's engagement ring in order to get some groceries. Isn't capitalism wonderful?

## The Price Of Oil

We are often told by social commentators that capitalism with its wonderful technology and scientific endeavours has made the modern world a vast improvement on the past, but the human cost in injury and death is always soft-pedalled by capitalism's supporters. Almost unnoticed in the paeans of praise for the profit system is this short news item. "Employers in the offshore oil and gas industry were urged yesterday to improve their safety record after a big increase in the number of workers killed or seriously injured. The Health and Safety Executive said that 17 workers died in off-shore-related incidents and there were 50 severe injuries in the past year, a "stark reminder" of the hazards. The combined fatal and severe injury rate almost doubled, coupled with a "marked rise" in the number of hydrocarbon releases - regarded as potential precursors to a major incident." (Times, 25 August) When it comes to profit making human life is not a major factor.

## A Nice Little Run-Around

From time to time that old banger that you called the family car needs renewal. Here is an idea. "Lotus has unveiled the ultimate track-day car - a Formula One-inspired racer called the Type 125. The British sports car company will show its consumer-focused F1 clone at this weekend's annual Pebble Beach Concourse d'Elegance in the United States, with plans to build only 25 examples from next April. The 125 will cost much less than a real Formula One car but the price tag is still expected to be about \$1.1 million." (Drive, 11 August) C'mon what is holding you back?



by Rigg

## Free Lunch

