

socialist standard



9 770037 825006

April 2008
Vol. 104 No.1244
£1.50

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



“There’s
class
warfare
all right...

but it’s the
rich that’s
making
war, and
we’re
winning”

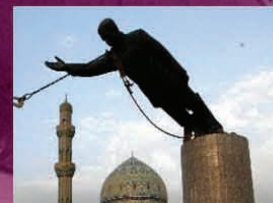
‘If I Were A Rich Man . . .’ page 9



Warren
Buffett
page 9



Britishness
page 12



Voice from
the back
page 24



contents

FEATURES

- 9 **If I Were A Rich Man . . .**
A look at Warren Buffett *New York Times*, revealed by *Forbes* magazine last month to be the world's richest man.
- 11 **Who cares?**
The US presidential election circus passes, people continue to suffer even in the US.
- 12 **Manufacturing Britishness**
Getting school leavers to swear allegiance to the Queen, what's it all about?
- 14 **What is the public's opinion?**
In the vicious world of capitalist competition, opinion polling finds a vital and profitable niche not for the laudable purpose of discerning or complying with the public interest but with the manipulation of public opinion in the interest of profit.
- 16 **Kosovo: Open for Business**
Kosovo became an independent state in February and was immediately recognised by the US and most European countries. We look at one of the reasons why.

REGULARS

- 3 **Editorial**
- 4 **Pathfinders**
- 5 **Letters**
- 5 **Pieces Together**
- 8 **Contact Details**
- 6 **Material World**
The Invisible Primaries
- 13 **Cooking the Books 1**
What's China's game?
- 17 **Cooking the Books 2**
That's capitalism
- 19 **Reviews**
Popcorn; 2050 Vision; The World Bank – A Critical Primer; Making a Killing.
- 21 **Meetings**
- 22 **50 Years Ago**
Another Economic Blizzard?
- 23 **Greasy Pole**
Blair's a Catholic
- 24 **Voice from the Back**
Police Are Workers; Loaded But Stupid; Friendly fire? *and more.*
- 24 **Free Lunch**

SUBSCRIPTION ORDERS

should be sent to The Socialist Party, 52 Clapham High Street, London SW4 7UN.

RATES

One year subscription (normal rate) £15
 One year subscription (low/unwaged) £10
 Europe rate £20 (Air mail)
 Rest of world £25 (Air mail)
 Voluntary supporters subscription £20 or more.
 Cheques payable to 'The Socialist Party of Great Britain'.

THE SOCIALIST PARTY OF GREAT BRITAIN

The next meeting of the Executive Committee will be on **Saturday 3 May** at the address below. Correspondence should be sent to the General Secretary. All articles, letters and notices should be sent to the editorial committee at: The Socialist Party, 52 Clapham High street, London SW4 7UN.

tel: 020 7622 3811

e-mail: spgb@worldsocialism.org

Introducing The Socialist Party

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

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

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

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

Editorial

Don't vote for what you don't want

WE DON'T have to accept the self-fulfilling prophecy that "capitalism is the only game in town".

Imagine that all the people in the world made a set of informed, collective and democratic decisions about what kind of system would best meet their needs and solve global problems. Would they choose a money and property system that forced nearly half their total number to try to survive on a dollar a day? Or would they prefer to organise production and distribution of goods and services on the basis of what they need, without the profit system?

Would they, if and when given the chance to vote, do so overwhelmingly for candidates who—whatever labels they attached to themselves or their parties—stood for the continuation of some form of capitalism? Or would they elect delegates, from among their own number, to initiate the process of setting up and running a fundamentally new form of world society, a system based on the common ownership and democratic control of the means of wealth production and distribution?

Would they embrace nationalism, involving armed forces paid to kill and injure other groups ("the enemy") with whom they have no quarrel? Or would they regard themselves and behave as citizens of the world, regardless of any geographical, cultural or philosophical attachments they may feel?

Would they divide themselves into classes, rich and poor, leaders and led, privileged and unprivileged, dominant and submissive, superordinate and subordinate, master and servant, powerful and powerless? Or would they, despite individual differences in abilities, personalities, interests, tastes, likes and dislikes, think and behave as members of the one human race, not perfect, sometimes fallible or irra-

tional, but never deliberately cruel or anti-social?

Whatever words they use to explain or sloganise their ideologies, all parties except the Socialist Party stand for the continuation of some form of capitalism. From their point of view, a vote for their own candidate is best; a vote for one of their competitors is second best. Not voting could be a worrying sign of alienation from the system. Worst of all, a vote for the Socialist Party candidate – or, where none stands, writing "Socialism" across the ballot paper – would indicate the beginning of a resolution to replace capitalism with socialism.

Don't forget:

- Before the first Labour government came into power, and when some members and supporters used to profess socialism as their eventual goal, there was some justification for the argument that: "The Labour hell is one degree cooler than the Tory hell." So "Choose the lesser of two evils."

- Today, after successive administrations of the same system, the difference in temperature is too small to get excited about. The same applies to others lining up to be our government—the Lib Dems, etc. We don't want them and we don't need them.

- Support for socialism isn't a matter of campaigning to make the poor rich in today's terms of material consumption. That wouldn't be environmentally sustainable. The socialist aim isn't even equality in the sense of sameness, like amounts of work contributed or goods and services consumed. Socialism is essentially about social equality, encouraging and enabling every human being to realise their full potential as giver and taker, not buyer and seller, in the context of society itself moving towards reaching its full potential.

FREE
3-MONTH TRIAL
SUBSCRIPTION OFFER

socialist standard
Journal of The Socialist Party - Companion Party of the World Socialist Movement

Marketing Mind
Take Your Cut
Trade, Earth, and Earth

**YES, I WOULD LIKE A 3 MONTH FREE TRIAL
SUBSCRIPTION TO *The Socialist Standard***

Name

Address

Postcode

Country

socialist standard

■ in depth ■ in touch ■ insight

**RETURN TO: Socialist Standard, FREEPOST,
London SW4 7BR**



Home Is Where The Heart Attack Is...

It is the year 2028. You have just put the kids to bed, and adjusted your ageing parents nightly feed tubes. It is 11.00 pm and you are still wearing the same dressing gown you got up in. You are tired out with looking after the whole family in one flat, and now it's time to go to work.

You commute 12 metres to your office, where your first holographic design meeting is already underway. You hit the 'Attend' button and a fresh-faced, sharp-suited, young male version of yourself appears at the meeting. You give your report to the robot manager and take your instructions.

This is not your 'job', because there are no 'jobs'. This is just one of a dozen 'projects' you currently serve, each short-term contract found for you by the vast Scout employment network you subscribe to. As projects end, so others must be found, each the subject of heavy competitive bidding. Over years, your rates have been cut and cut. You are working at least 12 hours a day just to get by. You barely see another living soul, outside your family, from one month to the next. You are the most diversely and highly skilled worker the capitalist system has ever produced, and one of the most overworked.

You are paid by results, so no boss ever needs to watch over you or check your attendance or punctuality. The meetings you attend are not even in real-time. This gives you the flexibility to be exhausted beyond anything a physical workplace would be allowed to tolerate. Soon you will not even need an office, because the office will be inside your head, as all humans will have microchip brain implants, wetware through which your brain can view the world directly and, more importantly, employers and the state can view your brain. The only thing worse than the isolation of your 21st century slavery is a 'power down', a sustained cyber-attack which takes out not only your ability to communicate with anyone at all, but your ability to earn and hence your ability to live. The threat of starvation is quite real.

All of this is being predicted now, but for ten years time, not twenty. Home-working is being hailed as the middle-class answer to traffic pollution, expensive office-space and heating, and the increasingly complex and fractured work timetables required both by businesses operating in a 24/7 internet environment, and by workers forced by shrinking health provision to take on the care of their elderly and infirm as well as their children (*Guardian*, March 14). A report produced by the Chartered Management Institute, a kind of employers' think-tank, lists a number of imminent and desirable scenarios, including mass home-working, project-based multi-employment and aggressive self-marketing, extreme flexi-time, virtual holographic meetings,

robot managers, home care of an ageing population, a blurring of 'work' and 'home', and, on a less gleeful note, the possibility of endemic cyber-warfare.

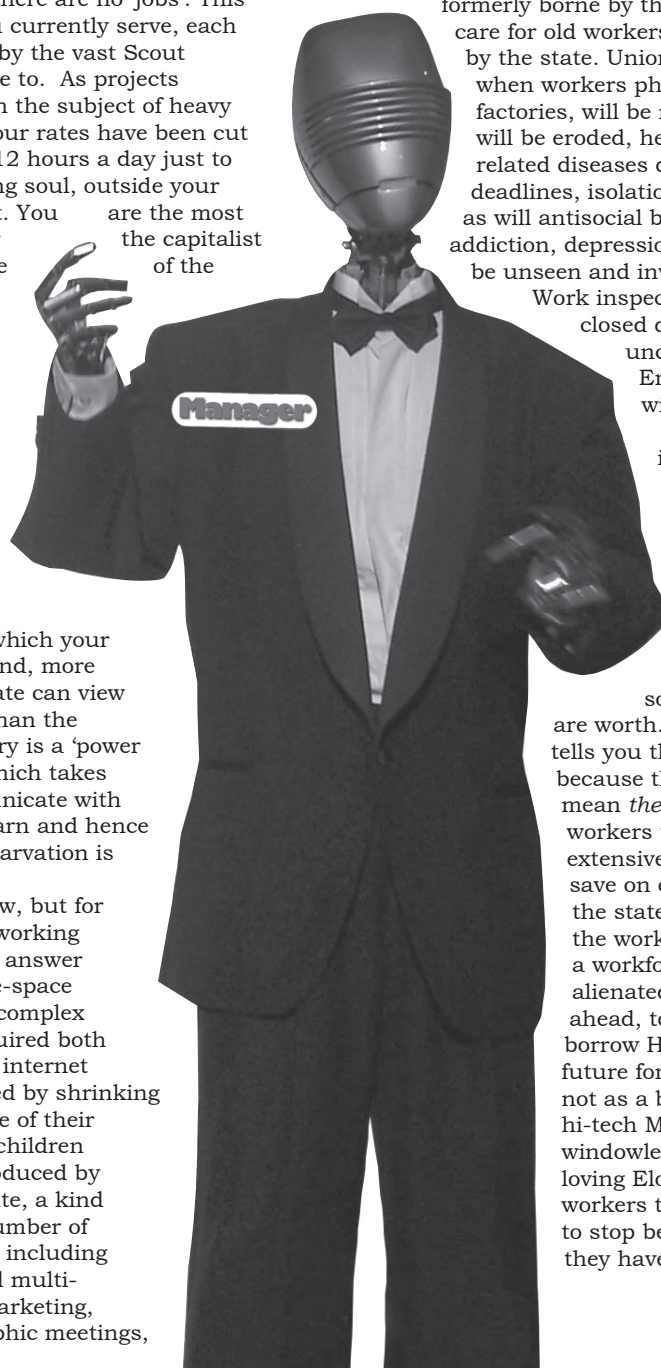
What's interesting about this is the spin placed on it by the Institute, which emphasises the upskilling of workers together with their greater flexibility as if these are self-evidently in the interests of the workers themselves. The argument is that workers, being able to pick and choose from a huge, non-geographically based work menu, will be in a position to refuse 'meaningless jobs' and 'will choose ethical careers and not the rat race.' There is also a lot of reported guff about companies learning 'to regard wisdom as a valuable resource. Some would try to nurture... rituals and storytelling, and listening to the accounts of long-term employees.' Managers (not the robot ones, presumably) will be expected to show 'a greater degree of emotional intelligence... so they can understand how people work and their likely reaction to change'.

In a pig's eye. What will really happen, if we let it, is this: the global job-market will be matched by a global labour pool, all undercutting each other and desperately vying for ever shorter contracts on ever worse terms, while simultaneously taking on itself the cost of office space, power and heating,

formerly borne by the employers, as well as health care for old workers or children, formerly borne by the state. Unionisation, a product of a time when workers physically met together to operate factories, will be made ever more difficult, rights will be eroded, heart attacks and other stress-related diseases due to poverty, long hours, deadlines, isolation and loneliness will rocket, as will antisocial behaviour, binge drinking, drug addiction, depression and suicide. All of this will be unseen and invisible to Health & Safety at Work inspectors, hidden away behind closed doors, the statistics uncollected, uncollated, and unreported.

Employers will literally get away with murder.

Conditions for today's workers in capitalism are not great, even in advanced capitalist countries and even where they are in work. But we can remember the time when we were told energy would be 'too cheap to meter' and automation would give us all a problem with how to fill our extensive leisure hours, so we know what such promises are worth. Never trust a capitalist who tells you the future is looking bright, because they don't mean *your* future, they mean *theirs*. Things are not so bad for workers that they couldn't get worse, and extensive home-working, though it might save on car bills, will save employers and the state a fortune by passing costs on to the worker, and in the process creating a workforce ever more fragmented, alienated and easy to control. Looking ahead, ten or twenty years, if one can borrow H G Wells' *Time Machine*, the future for workers could be bright, but not as a breed of pasty and enervated hi-tech Morlocks, beavering away in windowless cells to keep the pleasure-loving Eloi in luxury and indolence. For workers to really have a future, they have to stop being 'workers'. And that means they have to start being socialists.



CND's weaknesses

Dear Editors

As a former ban-the-bomber I would like to make a few points regarding CND (*Socialist Standard* March)

1. Its original appeal was rather insular, asking the government to set a moral example and give a lead to the rest of the non-nuclear world—"Let Britain show the way".

2. It recognised that it would seem completely unrealistic to demand unilateral action from either of the two great nuclear powers. Much more reasonable to seek to prevent nuclear possession spreading—those who do not have them should not make them.

3. The Labour Party leader Gaitskell and others (and the media) consistently and quite knowingly mis-stated the CND policy as: "Asking 'the West' to disarm." Which it *never* did—urging 'multilateral' agreement and reductions by means of various treaties.

4. CND sometimes made ludicrous claims that it influenced Test Ban agreements etc. *All Test Bans or Weapons Limitation treaties* were concluded when (a) Testing was no longer deemed essential or (b) when the warheads to be scrapped had been rendered out of date or no longer necessary as technology enabled the production of smaller, but more accurate and effective, weapons and delivery.

5. Significantly, CND support in the UK began to diminish when it broadened its campaign to oppose *all* nuclear weapons.

6. Some CND supporters supported the existence of NATO.

7. Some (Stalinists and some Trotskyists etc) members of CND *did* want 'one-sided' disarmament and were staunch supporters of the "workers" bomb.

8. Some 'Communists' did have the integrity to oppose capitalist and workers' bombs.

9. Pacifists (like myself) were a minority in the movement—most accepting that non-nuclear conventional war may sometimes be necessary.

10. "Entryists" did achieve some limited success (certainly temporarily controlling at least one Branch), but they were generally flushed out by the more genuinely radical elements among the membership.

Nevertheless, it would be churlish to ignore the remarkable contribution CND made in raising public awareness of the nuclear issue. Sometimes it is forgotten how deeply limited was the public knowledge of the kind of facts that CND routinely uncovered. Speaking personally, the kind of stuff that I have tried to articulate exposing (in the cause of socialism) the breathtaking hypocrisy of double dealing defence policies of the past and present was spawned by CND. The real disappointment is that comparatively few CND members moved beyond the optimistic (but narrow) objectives embraced by the original policies.

Obviously, the oft repeated claim

that "there will not be time" for a deeper objective than nuclear disarmament (I made it myself) has, thankfully, proved to be erroneous.

RICHARD HEADICAR, Hethersett, Norfolk

Back to basics

Dear Editors

Thank you for the comments. I'll like to respond only to what I think are the main issues raised by Adam Buick's remarks on my book (*Socialist Standard*, March). This does not necessarily mean that I am in agreement with him over other things that I do not take up here.

(1) The Speenhamland system is about as similar to Basic Income (BI) as an egg is to a chestnut. We are more than two hundred years on from that agrarian economy. Moreover, Speenhamland was a conditional system and BI is, by definition, unconditional. Criticisms of a conditional system can hardly be applied to a system that is unconditional *per excellence*.

(2) The objection at the core of the whole article, that BI "would be a wage subsidy to employers" is rather odd. If the law prohibits employers from paying less than a Minimum Wage, as happens in many countries, the argument sinks all by itself without any extra help. Some trade unions are more than aware of this and, for example, the ESK (Basque Union Group) have been BI supporters for some time now.

(3) The author's views that a BI would be a "wage subsidy to employers" without taking into account the economic forces of the time and without bothering to look into what effects a BI might have on the working class are not only more-than-dubiously based in historical terms but he also seems to be arguing as if the only decision-maker is the management. But aren't management wishes conditioned in any way by resistance from the workers? According to this line of argument, one might almost deduce that the workers shouldn't engage in too many distracting struggles to improve their conditions because the minute a bad economic situation comes along the management will take away what they've won previously. This is an odd way of understanding things.

(4) Have you pondered how a BI might affect the sector of the working class that is subject to the more precarious form of contract (about 40 percent of the workers in my country, Catalonia)? I've seen in the talks I've given over the years that, when the public consists in particular of very young workers, BI is understood as a measure that would help them to avoid accepting the very bad and insecure working conditions they're obliged to accept at present. A BI would give them the chance to say "no" to job situations that they have to agree to now. Have you wondered how a BI might affect a lot of women who depend economically on their husbands? Have you really thought about the possibilities for workers' protests that a BI could offer as a resistance fund?

In general, the right immediately grasps the whole potential of BI and is therefore totally against it (as the debate in the Spanish Parliament revealed on 2 October 2007). The left, at least part of the left, has more problems in understanding of the whole potential a BI could have for a good part of the working class. It's a shame, but that's how things are.
DANIEL RAVENTÓS (by email)

Reply:

We can't see how, given the way that capitalism works, a state payment, whether conditional or unconditional, to all workers is not going to end up being a wage subsidy to employers. It is bound to upset the labour market by setting in motion downward pressures on wages and salaries. Of course workers, through their unions, should resist such pressures (as they always should), but the employers' trump card is going to be "Look, your members are not going to be worse off, since their total income from us and the state is going to be more or less the same". In other words, a Basic Income scheme would not make workers better off in terms of money income; it would just be a more or less neutral "reorganisation of poverty". Surely you don't think that if BI was fixed at even as low as £5000 a year workers would be better off by that amount? Or that employers could be prevented by law from taking this payment into account when fixing or negotiating the wages they pay?

Yes, we are aware of the benefits that are claimed for BI and they sound alright. But excuse us if we are rather sceptical as we've heard claims of this sort made for many reforms of capitalism (including for family allowances, which the advocates of BI now want to replace by their scheme). The fact is that, while workers can obtain some improvements under capitalism, capitalism itself cannot be permanently reformed so as to work in the interest of wage and salary workers. At the present time, with the fiscal crisis of the capitalist state, any reform that will cost more money is not likely to pass anyway. Much better, then, that workers should go for the bakery rather than a few more, perhaps unobtainable, crumbs – socialism rather than a reform to capitalism
–Editors.

Police strikes

Dear Editors

Many thanks for forwarding on the article from the *Socialist Standard* (January) about the last, failed, police strike. I'm sure many of the officers who headed the old Police Union's strike call would have agreed with the sentiment – although I'm not sure history has necessary proved it true.

One thing that the article does not reflect is the police's reluctance, as true now as it was then, to have to resort to this final exercise of industrial action.

COMMUNICATIONS DEPARTMENT, Police Federation of England and Wales.



Selecting a US President: the invisible primaries

The expression “invisible primary” comes from Arthur T. Hadley, *The Invisible Primary* (Prentice-Hall, 1976). A more recent study refers to the “money primary” (Michael J. Goff, *The Money Primary*, Rowman & Littlefield, 2004). The two terms refer to the same process: the efforts of would-be candidates to gather support, raise funds and cultivate the media in the year before a presidential election, before the “visible” primaries begin.

Charles Lewis, director of the Center for Public Integrity, defines the phenomenon as “a private referendum in which the wealthiest Americans substantially preselect and predetermine who our next president will be... The hottest candidate in the check-writing sweepstakes is deemed ‘worthy’ by the major media via hundreds of news stories... All others are dubbed losers before the first [public] votes are cast.”

This slightly overstates the case. The number of candidates deemed worthy may, as this time round, be two or three. But the great majority of would-be candidates are indeed thrown out.

Money and media coverage

So to get through the invisible primary you need two things: money and media coverage (lots of both). Let’s look at this a bit more closely.

Money and media coverage are closely connected – partly because money can buy media coverage in the form of political advertising, partly because (as Lewis notes) the media treat fundraising success as an important criterion of “credibility.” And also because both money and media coverage are allocated mainly by members of the same class, the capitalist class. They make most of the large financial contributions and some of them own and control the media.

This is not to say that money and media coverage are perfectly correlated. A candidate needs money for many other purposes besides media coverage, such as to hire staff, pay travel expenses, and bribe uncommitted convention delegates. Nor does media coverage depend solely on fundraising success. For instance, the bosses of Fox, CBS, and NBC also take into account candidates’ political positions when deciding who will be allowed to take part in televised “debates” (actually, grillings by TV journalists) and what questions, if any, each participant will be asked.

In terms of the analogy of a referendum of the capitalist class, it is a referendum in which the media owners have the casting vote.

No challenge to corporate interests

What makes the political positions of a candidate acceptable or unacceptable to the media owners?

They would certainly judge any opposition to the capitalist system unacceptable. But the limits are in fact much narrower than that. In order to pass the test a candidate must not convey an “anti-corporate message” or challenge any significant corporate interest. That means in effect that he or she cannot advocate any serious reform.

I reached this conclusion by observing what happened to the most “left-wing” of the Democratic Party candidates – Dennis Kucinich, the Congressional Representative for Cleveland. Kucinich is not against capitalism, though unlike the general run of American politicians he appears to be independent of specific business interests. (As mayor of Cleveland he resisted pressure to privatize the city’s public utility system.) Like Franklin D. Roosevelt in the 1930s, with whose tradition he associates himself, he aspires to “save capitalism from itself” by instituting long-overdue reforms. He was the only candidate to stand for a “single-payer” system of healthcare finance that would eliminate the parasitic health insurance companies. Similarly, he was the only candidate to challenge the military-industrial complex by calling for big cuts in “defence” spending. These reforms are readily justified in capitalist terms, as essential to restore the competitiveness of U.S. civilian industry.

The media did their best to ignore Kucinich, except to ridicule him as a “kook” because, like Carter and Reagan, he says he once saw a UFO. The networks excluded him from TV debates, even when that required changing their own rules. (He sued NBC, but the courts upheld its right to exclude him.) As a result most Americans were unaware of his candidacy, although polls indicate that the policies he advocates enjoy wide support. In January he withdrew from the race, but has managed to hold onto his seat in congress.

Change as a mantra

In order to get through the invisible and the visible primaries, a candidate, and especially a Democratic Party candidate, has to engage in vague and deceptive rhetoric. Obama and Hilary Clinton talk endlessly about change because that is what the voters to whom they appeal are looking for. They are fed up with sending their children to war, with layoffs and home foreclosures, with escalating health costs. Obama repeats the word “change” so often that it has been called his mantra. But just check

out what specific changes Clinton and Obama have in mind and you can count on being underwhelmed. They would not have got through the invisible primary had they been determined on serious change.

For example, Obama and Clinton convey the impression that they are finally going to make proper healthcare available to everyone. But this turns out to mean only that everyone will have access to health insurance. You will still have to pay for it. Well, in that sense the U.S. already has “universal healthcare”! OK, they will make the health insurance companies introduce a wider variety of more affordable schemes. That may reduce the number of uninsured somewhat. But cheaper schemes are schemes with poorer coverage and/or higher co-pays and deductibles. (A co-pay is the part of a charge for services that is paid by the patient, not the insurance company. A deductible is the amount that the patient has to pay before the insurance company starts to make any contribution at all.) And some people won’t be able to afford even the cheapest schemes on offer.

The media and the candidates themselves relieve the strain and frustration of trying to assess and compare policy positions by distracting us with trite pseudo-issues such as the relative merits of “youth” and “experience” and whether the U.S. is “ready” for a nonwhite or female president.

Media reform?

Socialists consider most of what passes for “democracy” in the U.S. and other “democratic” countries to be phoney and corrupt – “the best democracy that money can buy.” But we do not deny the existence of some democratic elements in the political system of these countries. One such element is the suffrage itself, which we hope will eventually play a role in establishing the fuller democracy of socialism. The strength of these democratic elements changes over time, and the direction of change cannot be a matter of indifference to socialists.

A crucial factor is the extent to which the capitalist class is able effectively to silence critics of capitalism by monopolizing control over communications media. Until the mid-20th century outdoor public speaking was an important medium of free political discussion, through which socialists could reach quite a large audience. This democratic medium was displaced by television, to which socialists had virtually no access. Now the internet is starting to undermine the monopoly of the corporate mass media, although its impact so far has been modest.

Simon the Sociobiologist

A STROLL DOWN THE HIGH STREET...

SPARE SOME CHANGE MATE? I'VE HAD A TOUGH LIFE. A HARD UPBRINGING!

YOU SHOULDN'T ADHERE TO THOSE DISCREDITED FREUDIAN NOTIONS OF CHILDHOOD TRAUMA SHAPING OUR PERSONALITIES. 'ENVIROMENT' IS PASSÉ.

GENETIC DETERMINATION IS THE RECEIVED WISDOM NOWADAYS. SO YOU ARE PROBABLY AN INHERITOR OF BAD GENES.

HMM. WHAT'S THIS? MUST BE THE LOCAL ELECTIONS AGAIN.

I EVIDENTLY NEED TO DEDUCE WHICH PARTY BEST SERVES MY INTERESTS, PANDERS TO MY PREJUDICES, WHILST AT LEAST ATTEMPTING TO ASSUAGE MY GUILT.

IT IS APPARENT THAT YOUR TWO PARTIES HAVE LONG BEEN ENGAGED IN A KIND OF DUTCH AUCTION, WHO CAN BE THE MOST RIGHT WING. THERE IS AT LEAST AN ELEMENT OF MACHISMO IS EVIDENT.

WHILST YOUR PARTY BLATANTLY APPEALS TO OUR BASE TRIBALISTIC URGES. FAMILY, CLAN, TRIBE, NATION STATE - THIS IS HOW WE DEFINE OURSELVES. WE NEED TO BELONG.

THIS IGNOBLE APPEAL TO DEEP ROOTED INSTINCT REACHES ITS NADIR WITH YOUR PARTY. HOWEVER, IT MUST BE STATED THAT YOUR BRAND OF RACISM IS SIMPLY UNSCIENTIFIC. HUMANITY IS A SMALL SPECIES. THERE IS MORE GENETIC DIVERSITY IN A SMALL GROUP OF EAST AFRICAN CHIMPANZES THAN IN THE WHOLE OF HUMANKIND.

DOUBTLESS YOUR REASONS FOR ESPOUSING SUCH VIEWS LIE IN YOUR OWN PERSONAL RATHER LOW RATING IN THE DOMINANCE HIERARCHY, AND CONSEQUENT FEELINGS OF INADEQUACY.

AND AS FOR YOU, FENCE-SITTING HAS ALWAYS BEEN A VIABLE STRATEGY. LET OTHERS TAKE THE RISKS!

SO MUCH FOR ALL OF THAT. NOW, I NEED TO BUY A NEW SHIRT. LET'S GO SHOPPING!

HMM. MY CONSCIENCE WILL HAVE TO WRESTLE BETWEEN BUYING THE CHEAP SWEATSHOP MADE ITEM, OR THE MORE EXPENSIVE FAIRTRADE ONE. SO... SAVE MONEY, OR GET TO FEEL NOBLE?

BUT THERE GOES THE FEMALE I'VE BEEN TRYING TO IMPRESS OF LATE. ETHICAL DILEMMA SOLVED! AN OPEN DISPLAY OF ALTRUISM SHOULD DO THE TRICK NICELY.

HI THERE SIMON! YOU SHOP FAIR TRADE? YOU'RE SO NICE.

BUT NICE MEN ARE BORING! I LIKE A DANGEROUS, RISK TAKING BAD GUY. WITH A FLASH CAR. SEE YA!



Pieces together

Land of the Free?

"For the first time in U.S. history, more than one of every 100 adults is in jail or prison, according to a new report documenting America's rank as the world's No. 1 incarcerator. It urges states to curtail corrections spending by placing fewer low-risk offenders behind bars. Using state-by-state data, the report says 2,319,258 Americans were in jail or prison at the start of 2008 — one out of every 99.1 adults. Whether per capita or in raw numbers, it's more than any other nation. The report, released Thursday by the Pew Center on the States, said the 50 states spent more than \$49 billion on corrections last year, up from less than \$11 billion 20 years earlier. The rate of increase for prison costs was six times greater than for higher education spending, the report said." (*Yahoo News*, 29 February)

This is Freedom?

"As if the Government doesn't know enough about us already, it is now using lie-detector equipment (or 'voice-risk analysis', as it is euphemistically known) to signal whether people claiming benefit are telling the truth. If you receive a phone call from a town hall official asking about your circumstances, it seems that your answers - or rather, the tone of voice in which you give them - could well be scrutinised by a computer for telltale signs of 'stress'. ... In the Government's book, apparently, stress in the voice is a pretty good indication of flagrant dishonesty. You will be investigated further. Big Brother is most certainly watching you." (*Times*, 27 February)

War is Stupid

"The last French veteran of World War I, an Italian immigrant who lied about his age to join the Foreign Legion and fight in the trenches, died Wednesday aged 110, President Nicolas Sarkozy said. Lazare Ponticelli, the last of more than eight million men who fought under French colours in the 1914-18 war that tore Europe apart, died at the home he shared with his daughter in Kremlin-Bicêtre, a Paris suburb. Reflecting on his wartime experiences, he once said: "You shoot at men who are fathers: war is completely stupid." (*Yahoo News*, 12 March)

The American Dream

"More American homeowners are mired in negative equity than at any time since the Great Depression of the Thirties ... Close to 9 million Americans, or 10.3 per cent of homeowners in the US, now owe more on their mortgages than their house is worth, according to the latest figures from Moody's, the ratings agency, as inventories of unsold homes continue to pile up in an already over-supplied market." (*Observer*, 24 February) "House prices in America are now falling at their fastest rate since records began in 1964, while repossessions and new houses for sale are at levels not seen since the Depression in 1929." (*Observer*, 2 March)

Democracy in Action?

"President Bush has vetoed a law preventing the CIA using interrogation techniques condemned by many as torture, because it 'would take away one of the most valuable tools in the War on Terror' ... The veto throws the spotlight back on to America's use of so-called coercive interrogation methods like waterboarding, the simulated drowning technique invented by Spanish inquisitors and adopted by regimes such as the Khmer Rouge." (*Times*, 10 March)

Contact Details

UK BRANCHES & CONTACTS

LONDON

Central London branch. 2nd Weds. 6.30pm. The Shakespeare's Head, 64-68 Kingsway, Holborn. (Nearest tube: Holborn.) Tel: Tristan 0207 6223811
Enfield and Haringey branch. 2nd & 4th Monday. 8pm. Angel Community Centre, Raynham Rd, N18. Corres: 17 Dorset Road, N22 7SL. email: julianvein@blueyonder.co.uk

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

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

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

MIDLANDS

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

NORTHEAST

Northeast branch. Contact: Brian Barry, 86 Edgmond Ct, Ryhope, Sunderland SR2 0DY. Tel: 0191 521 0690. E-mail 3491@bbarry.f2s.com

NORTHWEST

Lancaster branch. 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.

E-mail: rewcb13@yahoo.co.uk
tel: 07906 373975

Rochdale. Tel: R. Chadwick. 01706 522365

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

YORKSHIRE

Hull. Keith Scholey, 12 Regina Crescent, Victoria Ave, HU5 3EA. Tel: 01482 444651

Skipton. R Cooper, 1 Caxton Garth, Threshfield, Skipton BD23 5EZ. Tel: 01756 752621

SOUTH/SOUTHEAST/SOUTHWEST

South West branch. Meets every two months on a Saturday afternoon (see meetings page for details). Ray Carr, Flat 1, 99 Princess Road, Branksome, Poole BH12 1BQ. Tel: 01202 257556.

Bristol. 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 Anglia branch meets every two months on a Saturday afternoon (see meetings page for details). David Porter, Eastholme, Bush Drive, Eccles-on-Sea, NR12 0SF. Tel: 01692 582533. Richard Headcar, 42 Woodcote, Firs Rd, Hethersett, NR9 3JD. Tel: 01603 814343.

Richard Layton, 23 Nottingham Rd, Clacton, CO15 5PG. Tel: 01255 814047.

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

NORTHERN IRELAND

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@jmoir29.freereserve.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. E-mail: richard.donnelly1@ntlworld.com

Ayrshire. D. Trainer, 21 Manse Street, Salcoats, KA21 5AA. Tel: 01294 469994. E-mail: derricktrainer@freeuk.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 E-mail: 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

AFRICA

Kenya. Patrick Ndege, PO Box 56428, Nairobi.

Swaziland. Mandla Ntshakala, PO Box 981, Manzini.

Zambia. Marxian Education Group, PO Box 22265, 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. E-mail: hallblithe@yahoo.com

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. E-mail: 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. E-mail: wspboston@covad.net



If I Were A Rich Man . . .

'There's class warfare all right, but it's my class, the rich class, that's making war, and we're winning'. New York Times, 26th Nov 2006

So said, with more than a hint of shame, the person revealed by *Forbes* magazine last month to be the world's richest man – Warren Buffett. With a fortune estimated to be in the region of 62 billion dollars, Buffett is now a couple of billion ahead of the Mexican telecoms tycoon Carlos Slim, and four billion or so ahead of his friend and bridge partner, Bill Gates. Britain's richest man, Labour Party donor Lakshmi Mittal, is fourth, one of 49 billionaires living in the UK.

Buffett, dubbed the 'Sage of Omaha' because of his homespun wit and wisdom, is something of an enigma, a compulsive accumulator of wealth that he is in some respects embarrassed about. He may be the richest man in the world, but lives in the same house he bought for \$31,000 when he was 28, exists on a diet of hamburgers, candy bars and Cherry Coke, and refuses to have more than one car (an old one, at that). In a world obsessed by conspicuous consumption, he is hardly

a man given to ostentatious displays of wealth.

From a very early age Buffett was fascinated by numbers, mathematical calculations and money, and was obsessed with becoming rich, to such an extent that according to Mary Buffett, as a child in 1938, 'in the sweltering summer heat of Nebraska, he walked miles to the race-track where he spent hours on his hands and knees scouring the sawdust-covered floors for discarded racing stubs, hoping to find a winning ticket' (*The New Buffettology*). The son of a Nebraska stockbroker, he made his first stock market investment when he was eleven (three shares in a firm called Cities Service) and by the time he was old enough to go to college he had made \$6,000.

Harvard reject

After his degree, Buffett applied to study at the prestigious Harvard Business School and was rejected. But this was a blessing in disguise for him, because he

ended up going to Columbia University instead where he studied under Benjamin Graham, considered by many at the time (and plenty since) to have been the greatest investment analyst of the twentieth century. Graham wrote two seminal works: *Security Analysis* (co-authored with David Dodd) in 1934, and *The Intelligent Investor*, the original edition of which was published in 1949. The teachings of Graham, and these two books in particular, had a profound impact on Buffett, to such an extent that he eventually persuaded Graham to take him on at his own Wall Street investment firm (at one stage he even offered to work for free).

When Graham retired in the 1950s, a homesick Warren Buffett returned to Nebraska to set up his own investment partnership. This was the real beginnings of his fortune, where he began to turn an initial investment of \$105,000 collected from friends and family (only \$100 of which was his own) into the \$62,000,000,000 it is now. Buffett's fund

management fees were performance-related and by 1969, when he decided to close down the partnership, assets under management had grown to around \$104 million, in which Buffett's personal stake was over \$20 million. By this time Buffett was convinced that a bear market was around the corner, where sustained downward pressure would be put on share prices after the end of the 1950s and 60s economic boom.

But it was also in this period that Buffett laid the foundations for his greatest leap in wealth, taking over the company with which he has been synonymous ever since: Berkshire Hathaway. This ailing textile company was steadily bought up by Buffett and his partners typically for around seven to eight dollars a share and in 1965 they seized control of it. When Buffett dissolved his investment partnership he offered his partners a choice of either cash or a stake in Berkshire Hathaway. Those who took the shares instead of cash have seen them rise in price in the period since to the extent they currently trade in excess of \$140,000 each on the New York Stock Exchange.

Woodstock for capitalists

So, how did Buffett really become so rich and help other Berkshire Hathaway shareholders to be the same? By being, in Buffett's own words, in the right place, at the right time, but also by being the perfect capitalist. As Buffett would be the first to admit, he has never invented or made anything; indeed, he is very far from being the great all-American entrepreneur of popular mythology – he's happy to let Bill Gates take that sobriquet. Instead, he is the most famous example of a phenomenon Friedrich Engels wrote about in the nineteenth century, where Engels identified that the key technical role that entrepreneurs played in the growth of capitalism was on the wane:

'All the social functions of the capitalist are now performed by salaried employees. The capitalist now has no other social function than that of pocketing dividends, tearing off coupons, and gambling on the stock exchange, where different capitalists despoil one another of their capital.' (*Socialism: Utopian and Scientific*).

In this sense, the capitalist class, as owners of capital who no longer have to work and whose key technical function in the rise of capitalism has been largely taken away, become functionaries of capital – and interestingly, Buffett has defined himself as being an 'allocator of capital' above all else. In this respect, Buffett is a very modern capitalist – an investor in companies and markets rather than an inventor of things. Every year, Berkshire Hathaway shareholders arrive in Nebraska for their annual shareholders' meeting to pay homage to Buffett and his side-kick Charlie Munger in an event they call 'Woodstock for capitalists'; there is little entrepreneurial spirit to be seen, for there is no need.

Meet 'Mr Market'

Buffett used Berkshire Hathaway as an investment vehicle, using it to take

over insurance companies and other firms that generated steady cash flow. In owning firms outright, he was able to mitigate his exposure to the stock market when he felt it necessary. Over time, though, Buffett used Berkshire's excess cash to selectively buy back into stocks.

In doing so, he abided by the investing principles handed down to him by his mentor, Ben Graham, often referred to as 'value investing'. In essence, this meant investing in companies based on their real value and assets (and their ability to grow them) rather than what was likely to happen to their short or medium-term share price. Graham and Buffett both took the view that value and price were not identical, even if they gravitated in the same direction over the long-term (leading Graham to famously comment that 'in the short run the stock market is a voting machine but in the long run it's a weighing machine').

In particular, Graham and Buffett took issue with the academic theory known as 'Efficient Markets Hypothesis'. This theory states that stock market prices (allegedly like all other prices) are efficient, in that all known information is reflected in them so that it is impossible for significant market inefficiencies to occur, and impossible for any investor to 'beat the market' in the long run through anything other than pure luck.

Ben Graham had attacked this view with his parable of 'Mr Market', an agreeable potential business partner who is always ready on any given day to do a deal over a business or share of a business so long as he can name the price. One Graham and Buffett acolyte has explained the concept this way:

'Mr Market is bipolar. Our partner goes through gigantic mood swings from the highest euphoria to the lowest depression. Most of the time Mr Market is taking his meds, and on most days he's pretty lucid about the prices he sells and buys at. That means most of the time the price of a business is pretty close to its value. But sometimes he can get so insanely optimistic that he prices everything insanely high. On other days Mr Market can get so depressed that, unlike Annie, he's convinced the sun will *not* come up tomorrow . . .

It's kind of a shame to take advantage of someone who's emotionally unbalanced, but then again, he doesn't seem to mind. He's been bipolar for so long he just thinks it's normal. He doesn't honestly think that he's mispricing anything, even if one day the price is \$100 a share and just a few months later it's \$10. And if you ask the professors who study Mr Market, they'll tell you the guy is fine.' (Phil Town, *Rule 1*.)

In essence, this is how Buffett has made most of his money – by realising that the market economy isn't intrinsically an efficient allocator of resources and is driven by wild swings of sentiment that often belie underlying reality. In the great bear market of 1973-4, when stocks in the US more than halved in price measured by the S & P 500 index, and fell by nearly three-quarters in the UK, Buffett said he

felt 'like an over-sexed guy in a whorehouse'. He invested massive amounts and saw share prices recover within a year or so, despite no significant change in the performance of the underlying economy or the companies within it.

Buffett is no lover of the free-market and has made much of his money through exploiting the fact that capitalism isn't nearly the competitive ideal that many of its fiercest advocates assume. Illustrative of Buffett's approach is the type of company he has used Berkshire Hathaway to buy into: those he identifies as having an economic 'moat', a durable competitive advantage or quasi-monopoly position that their competitors (if they have any) cannot easily breach. Buffett hates, and steers clear of, companies that operate in price-competitive markets, as they are the most vulnerable to the vicissitudes of the capitalist economy and those whose growth is least assured and steady over time. Instead, he typically invests in companies that have very different characteristics – for example, firms:

- 1 that achieve dominance through having strong brands that involve repeat buying (Buffett has been a major shareholder in both Coca-Cola and Gillette),
- 2 that can exercise control over a service through which they allow access by charging others for the privilege (such as some utility network companies),
- 3 that secure massive forward orders based on major long-term contracts, typically with the state sector, for outsourcing, regeneration, etc.,
- 4 that have a product that becomes so all-pervasive that switching to a competitor isn't worth the trouble (Microsoft),
- 5 that have a company secret such as a patent that acts as a barrier to entry for other firms (e.g. Intel, GlaxoSmith-Kline),
- 6 that have such economies of scale they can undercut their competitors and achieve market dominance (e.g. Walmart in the US and a recent Buffett buy in the UK, Tesco).

When these type of firms are mispriced in the stock market because of negative sentiment – giving what Graham called a 'margin of safety' to the buyer – then Buffett starts accumulating shares. Companies with an economic moat typically grow their profits well in excess of 10 per cent per annum on average; indeed, Buffett usually looks for firms that can grow their 'book value' and profits at 15 per cent, potentially giving him a huge compounded return over the years, especially if he has already bought them well below their real value. And he has declared his favourite holding period for such companies to be 'forever' (Buffett rarely involves himself in short-term speculation and when he does it tends to be through taking advantage of arbitrage opportunities, again based on market mispricing).

Unions

In many respects, Buffett probably has a better understanding of how capital

continued on page 19

Who Cares?

The US presidential election circus passes, people continue to suffer even in the US.

It's the US presidential election year. Populations of the world take notice. The media circus is in full flow and the season is a long one. The mainstream media love a good fight and will pounce on any juicy morsel, wringing it to death in the cause of democracy – Clinton's moment with tears in her eyes or the decision or non-decision to show some cleavage; Obama's plagiarizing or agreed borrowing of phrases from a third party's speech – grist to the mill of information for the masses, essential in the common voter's decision making process. Who do we think will make the toughest Commander in Chief and be able to make the 'hard' decisions? It appears the aim is to keep the public's eyes as far away from reality and the real issues as possible. Deflect their attention whilst hypnotising them into believing their vote will actually make a difference in any significant area of their lives.

Even the more serious 'liberal' or 'progressive' US media are spending an inordinate amount of time and space debating and dissecting which sections of the population will vote for (1) a black, or (2) a woman. The fact that they are from the same party and broadly back the same agenda – and may ultimately stand on the same ticket – is less important than speculating about in which direction the various sections of the electorate are likely to be swayed either by popular appeal and endorsement of celebrities or by muck-raking and negative campaign advertisements.

Seemingly disconnected from the multi-million dollar, multi-media frenzy of the race for the presidency can be found other articles given over to topics not covered in the mainstream media but which ought to be in the forefront for the presidential candidates, the whole electorate and the rest of the world. Writers of several articles recently have investigated the care of physically injured or mentally scarred US troops returning from Iraq, and have revealed some chilling truths. Last year conditions at the Walter Reed Medical Centre, a military hospital, became so bad that it entered the realm of international coverage for a short time. Equipment was in short supply, specialists were leaving, the unit was seriously underfunded leading to lack of appropriate care for seriously wounded patients and a Pentagon Mental Health Task Force deemed its staffing level "woefully inadequate". Bush made promises that it would be sorted and the hue and cry died away. Fairly early on in the conflict in Iraq some doctors, psychiatrists, psychologists and counsellors recognised that significant numbers of military personnel were suffering from post traumatic stress

disorder (PTSD), especially if they had had to undergo a second or third term of duty. Many were simply given a course of drug therapy, a pep-talk and sent back to their unit or, whilst in the US between tours, some of them, with impeccable records and commendations for heroic action, developed problems with drugs, alcohol, gambling, writing bad cheques and ended up in military jail, some losing rank and others being discharged dishonourably.

In the early days counsellors and psychiatrists were pressed not to accept PTSD, certainly not to register it on record, rather to rebrand the affliction as 'Personality Disorder' and to suggest that those so afflicted were obviously unstable *before* they entered the military and were consequently kicked out of the service. Eventually after pressure from certain quarters thousands, rather than the original few dozen, were accepted as bona fide sufferers of PTSD and were put on a list to await treatment. But still denial of PTSD persists, especially in the Marine Corps which has "a deeply macho culture". It is 93% male, 66% of whom are 25 or younger and 13% are teenagers. One civilian psychiatrist who treats Iraq and Afghanistan veterans tells of young veterans being ridiculed by their chain of command if they asked for help.

The Pentagon's Mental Health Task Force reported last June that 31% of marines serving in Iraq and Afghanistan are suffering from traumatic stress and that marine suicide rates have been above average since the invasion of Afghanistan. (32 active duty suicides in the Marine Corps in 2004, no mention of the number among veterans). There are severe shortcomings in providing care for those who do qualify. A year after the Marine Corps' review of less-than-honourable discharges recommended screening all marines and sailors who commit 'particularly uncharacteristic misconduct' following deployment the programme has not yet started because they lack the manpower.

Before the severely wounded or traumatised arrive back in the US they are transported to the Landstuhl Regional Medical Centre in Germany. The Air Force colonel who was chief of medical operations in the Europe headquarters for 2 years, 2004-6 said "politics infused every aspect of care" and that the funding was the worst she had seen in 20 years in the military. They weren't allowed to increase staffing because it would give the wrong message, that it would look like they were expecting more casualties. They weren't allowed to send the visibly wounded home on commercial planes because it might upset US citizens to see them and the military planes were so cold

that charity appeals were made in order to provide hats, scarves and mittens for the wounded. Mittens, because they fit wounded hands better than gloves.

Here's the rub – this huge military set-up with an annual budget of billions, desperately recruiting from all quarters, promising college educations for free and later renegeing, promising full US citizenship to non-citizens and then renegeing and promising full support to veterans and renegeing wherever possible. The reason PTSD is a contentious diagnosis is because it means that sufferers are entitled to full support, free drugs and veterans' benefits for life (i.e. expensive). If it can be reduced to 'personality disorder' they can be thrown out and denied entitlement. If they can be recommended for an 'other-than-honourable' discharge (for drug use whilst recovering or other misdemeanours) notwithstanding an exemplary service record, veterans' benefits would be denied, including healthcare, for life.

The bottom line, soldiers, sailors, airmen and marines, don't kid yourselves about patriotism or fighting terrorists or protecting your country. When was war any different? It's just the workers protecting the interests of their masters. It's the same for you as it is for the rest of us. You're simply there to be used, abused and paid as little as they can get away with. These are the issues that should be engaging the media circus, placing them squarely in front of the electorate and the presidential candidates. But they aren't and they won't be because the mass media supports the status quo. Will the workers ever learn?

JANET SURMAN



Want to receive notifications about upcoming Socialist Party meetings, events, and publications? Then subscribe to spannounce, our new announcement mailing list. Point your web browser at <http://groups.yahoo.com/group/spannounce/> or send an e-mail to spannounce@yahoogroups.com.

MANUFACTURING BRITISHNESS

Getting school leavers to swear allegiance to the Queen, what's it all about?

Gordon Brown now appears to believe that, like Candyman, if you say “Britishness, Britishness, Britishness” in a mirror, it will come to get you. At least, that’s how it seems with the outpourings of his government. Of course, in his report, Lord Goodman was merely suggesting that all school leavers get to have a citizenship ceremony, in which they might swear true and lasting allegiance to Queen and country – it isn’t policy (yet). Even if that small part of the report was spun to make the headlines, all that team Brown are doing is floating an idea, to see if it has legs.

Brown would say that he is just trying to promote and shape a sense of collective identity; to improve social cohesion and welfare; to provide a platform for the different identity communities in Britain to overcome their antagonisms. Brown simply wants us to celebrate those British values of tolerance and fairness (which, of course, no other polity on Earth espouses).

As Goodman explains:

“...analysis also shows that [patriotic] feelings have fallen over time; they are less prevalent among younger people; and there is disaffection in parts of our communities.

So the challenge is to renew our shared sense of belonging and take steps to engage those who do not share it. Especially in the light of social changes, we need a narrative of what we stand for together; and we may need to set out that narrative in more explicit terms than we have had to use before and using frameworks that are created for this purpose.”

It is not, you understand, a “crisis”, but, like the spouse in a failing marriage, feeling the romance start to ebb away, Goodman recommends we cry out our love of country ever more arduously. We should, he opines, have a national day, given over to being British.

Since “British” is what we who happen to live on the outlying archipelago just off the northern coast of Europe are supposed to be anyway, that seems to make as much sense as a day celebrating carbon.

Unless, such national identities are not as natural as we are led to believe, and they only work by continually shoring up the fragments of their highly artificial walls. If they are a part of manufacturing consensus that would mean that all those traditions and values were invented;

and only as “natural” as the needs of the inventors.

Quite how those needs are served was nicely illustrated in March this year. Brown let it be known that he wanted to raise the profile of the British military by encouraging troops to wear their uniforms on the streets. We were to be encouraged to feel pride in the presence of their resplendent attire, and be continually reminded of the marvellous service these boys and girls do for us, putting their lives on the line for their country, being the rough men who let us sleep quietly in our beds. The political purpose of such a subtle reminder would be to assist the morale of troops fighting in the various foreign adventures (Iraq and Afghanistan in particular) that the Labour government has seen fit to commit itself to.

It also was a way to spike the guns of the Conservative Party and the natural Tories in the military establishment who have suddenly discovered something called “the military covenant” – some process by which the state assumes a duty of care to look after soldiers. This is of recent invention, and forms the basis of all bleating about soldiers not being properly cared for or protected. It is a claim for special treatment and a useful establishment manifesto. Doubtless, were the Tories in charge, we’d never hear of it again.

Beyond that, is the hope that getting the folks back home to empathise with the military will iron out any political fallout that from launching an unpopular war in pursuit of loot and profits. Getting people to think of themselves as being against the war but for the troops is an excellent means of quelling practical opposition to the wars – turning the troops into the political and symbolic hostages of their masters.

All this was given a fillip by the highly orchestrated (as revealed by *Private Eye*) outing of Prince Henry Charles Albert David Windsor’s tour in Afghanistan. He became, in a blaze of publicity, an ordinary hero, so committed to his comrades in arms

and his duty, that he put his Royal life on the line to go and fight.

Pictures of the smiling princeling playing sport in the desert sent out a message of the equality of service, how all the boys are equal under the badge – and added that air of glamour to proceedings that comes with a Royal personage and their saturation coverage in the media. That it simultaneously improved the image of the Royal Family was, surely, just a coincidence.

He even, it was reported, killed over thirty Taliban “militants”. Or, that is, rather, he co-ordinated the attack so that air strikes could be brought down on those dreadful fanatics. He bravely got someone else to do his killing.

Alas (it seemed) this wave of propaganda was punctured. On 6 March it was reported that personnel at RAF Wittering, near Peterborough, had been instructed not to wear their uniforms in public, despite the wishes of the great leader, because there had been incidents of verbal harassment of troops by a “cross section of the community.” This follows similar complaints of harassment of troops “forced” to share regular NHS hospitals with members of the public.

Once upon a time, such incidents would not likely be reported, and the wall of propaganda would hide the divisions in society. This time, though, the press latched onto this story, and began bemoaning the abuse of “our boys” who “put their lives on the line.” Soldiers began to be clapped in the street. Newspapers broadcast their support for the troops. Politicians said that we should all get behind these brave lads. Suddenly, a story about how the unpopularity of the war was turning



into abuse of the troops, turned into yet another exercise to achieve the politicians aim of binding us together in love and respect for the lethal arm of the state.

Herein is the rub. These people are doing a dirty job. Skills, talent, energy and resources are being directed from creative productive work, and instead being dedicated to death and destruction.

Even, were we, for one moment, to accept the unfortunate necessity of having to keep a standing force for murder, we could still question why they should be lauded so. Tax collecting and being a bailiff is an unfortunate necessity of our current society, but no-one asks us to celebrate bailiffs.

What of, though, putting their lives on the line? Well, from accident reports we know that thousands of builders are putting their lives on the line every day. Train track engineers are risking life and limb. At least, those workers could point to some accomplishment, an addition to the wealth and wellbeing of society from the risks they are putting themselves to.

It was once a commonplace of radical politics, never mind socialist politics, that a standing peacetime army is a sign of tyranny. The option to resort to lethal force remains in place, and implicitly backs up any decision of the state and its agents. When Tony Blair said it was in the interests of Britain to go to war, he was saying, perhaps without the actual thought crossing his mind, that some

stakes are so high that they are worth more than a human life. That they are worth killing for. The logic of the mafia don.

As socialists we consider that this international system of perpetual warfare stems entirely from the division of the world into units of property, and that it can be replaced by the common ownership of the world by the human race, co-operatively and democratically running their own lives. The "unfortunate necessity" for the dirty work of slaying can be eliminated, and no-one need suffer to wear a military uniform again.

We understand that, much like those supposed Taliban militants, who are usually boys fighting for a pittance and a rifle at the behest of well-heeled leaders, the military is made up of workers in uniform, proletarians on parade, hired killers plying their trade. Their work is dirty and despicable, but they, as human beings are no more worth spitting on nor abusing than any other person. What they deserve,

and need, is for their political masters who are using them to be removed, so that all that skill and energy can be redirected into useful work, and not used against us.

This could build the practical unity of living, working and sharing together, so that we need neither patriotic parades nor oaths of allegiance to bind us together, and we can put the spectre of the dismal time where murderers were heroes far behind us.

PIK SMEET



Cooking the Books 1

What's China's game?

An interesting take-over battle is now taking place in the world mining industry. Towards the end of last year, BHP Billiton, the world's largest mining company, made a bid to take over Rio Tinto, the world's second largest mining company. According to the *Times* (5 February) a BHP-Rio merger "would create the world's largest

iron ore, aluminium and coal supplier . . . A merged BHP-Rio would control about 36 per cent of the world's iron ore, which is used to make steel, and consolidate 75 per cent of that market in the hands of only two companies". (The other would be Vale, the Brazilian mining corporation).

Steel-producing countries dependent on imports of iron ore – China, the EU, Japan – are not too happy about this prospect of an "OPEC for iron ore". But so far only China has acted. At the beginning of February Chinalco, the Chinese state-owned aluminium company, splashed out £7 billion in cash to acquire a 12 percent holding in Rio Tinto, probably to at least have a say in the disposal of Rio Tinto's assets.

There is a theory which sees multinational corporations such as BHP and Rio Tinto as agents of the Western "imperialist" states, but here the victims will be other capitalist corporations in the developed capitalist world who are consumers of iron ore and aluminium. In any event, there can be no doubt that China's various state-owned companies such as Chinalco, Sinochem Petroleum and China Shenua Energy are agents of the Chinese capitalist, not to say "imperialist", state.

Capital accumulation is going on apace in China and China has a desperate need for the materials to sustain this (while it lasts):

"China is forecast to consume more than half of all the world's key resources within the next decade and the country is seeking to control mines and oilfields to ensure its supplies. China is already the world's largest consumer of every big resource except oil and accounts for 47 per cent of all iron ore, 32 per cent of aluminium and 25 per cent of copper." (*Times*, 5 February).

China is also the world's leading consumer of nickel and zinc. To ensure a steady supply of all these essential materials, China has set up a whole range of state-owned capitalist corporations which operate on the stock exchanges of the world, doing deals with and acquiring shares in Western capitalist corporations.

Western financial journalists such as Patrick Hosking of the *Times* are intrigued as to "why is China playing the Western capitalist game" (*Times*, 5 February). Hosking doubts that Chinese state corporations such as Chinalco are interested in maximising profits or in maximising dividends to their single shareholder, the Chinese state, and concludes:

"In one sense it is encouraging that Beijing is buying – literally – into joint-stock capitalism. But it would be naïve to assume its business leaders are motivated by the same forces as their Western counterparts".

He is probably right. While non-state capitalist corporations are motivated by maximising profits and dividends to their shareholders, states can take a longer and broader view of the overall national capitalist interest. They need to take into consideration such factors as the security of supply of essential materials to industries within their borders. Many a war has been fought to achieve this. But wars are expensive and risky. Much better to try other means first, commercial as well as diplomatic.

This is what China appears to be doing via its state-owned corporations operating alongside Western corporations. At the same time China is building up its armed forces just in case this fails and other means of acquiring a secure supply of essential materials have to be employed (see for example <http://www.comw.org/cmp/fulltext/cafnaval.html>).

What is the public's opinion?



In the vicious world of capitalist competition, opinion polling finds a vital and profitable niche not for the laudable purpose of discerning or complying with the public interest but with the manipulation of public opinion in the interest of profit.

As in all previous stages of human social development, today wealth is produced and can only be produced by the application of human labour power to the resources of nature. Capitalism complicates the process of wealth production by the separation of these two productive essentials; a relatively small minority of human beings claim a right to the ownership of nature's resources, which are effectively the means of life of the whole of humanity, while the great majority are obliged to sell their physical and mental abilities to these owners. The wealth that results from this combination of resources and labour power becomes the property of the owners who give those who have expended their labour power tokens which are called wages with which they can purchase the part of the vast aggregation of wealth they have created.

That is the basic nature of capitalism. However, in effect it is much more convoluted and wasteful than this might suggest. In today's world all the goods and services needed by people are produced mainly in the form of commodities against the background of their real or imagined use value. But the shareholders who own the enterprises that produce these goods and services and the usually richly-rewarded directors who organise the enterprises are not philanthropists concerned with the public good.

Their interest is not primarily the use value of the commodities they produce; it is the exchange value of those commodities; the price for which they are bought and which contains, in normal circumstances, that surplus beyond the cost of production (including the cost of sale) which enriches the shareholders and allows for continued economic viability.

So the kernel of this complex and extremely

wasteful exercise is profit which is yielded only when purchasers are persuaded to buy specific goods or services from among the competing suppliers. It is important for capitalist enterprises to ascertain public attitudes either to adopt their products or prices to prevailing modes or to influence change in those attitudes by product design, price or advertising.

Politics and public opinion

In the last British General Election, the Labour and Tory parties spent some £18 million each and the Liberal Democrats spent £4.3 million. These large sums were additional to what might be called their 'constant capital' in the form of existing organisation, publicly-funded offices, salaries and equipment; vast sums that must surely conflict with the notion of 'free' elections.

These amounts are being dwarfed by the massive sums currently being invested in the US primaries, where the two candidates for the role of capitalism's political office manager are being selected. In contradistinction to the nonsense about 'spreading democracy' in areas deemed of consequence to US interests, the American variety of that system reveals a monumentally expensive and cynical exercise between two politically indistinguishable groups concerned with sculpting politics in the general interests of capital. As in Britain and the rest of the developed world, other aspiring politicians, denied real public exposure by a pensioned media, will be permitted to enter the hustings to make up the numbers and reinforce the fiction that the public are offered a fair and informed choice.

Obviously Public Opinion in both politics and commerce is of considerable importance; but it is politically innocuous in that it never questions the fundamental way in which the needs and requirements

"Two-thirds of Americans believe government is being run by big interests looking out for themselves"

of the human family are organised. Politicians, the business fraternity, clerics and journalists may criticise some aspect or aspects of the system: show a preference for making some adjustment in planning or administration or suggest a different political or economic strategy but always within the framework of the existing social system.

Such people may display courage, energy and enthusiasm in campaigning for a cause but always they do so on the assumption that there is no alternative to the present order of things; that the old political and economic fundamentals of capitalism are as inevitable as the seasons; that they have always existed and that there is no other way of running society.

Dominant ideas

Karl Marx made the obvious point that the ideas that dominate in society are those of its ruling class. It doesn't follow that in our present society the majority of people like capitalism. On the contrary, the mere want or dire poverty of capitalism, the frightening destruction of the biosphere, the increasing disparity of wealth between rich and poor, the permanent threat of war, violence and crime, these things are too pronounced, too close to the lives of the people to escape being the daily staples of news and public concern.

The point was well made by a contributor to the World Socialist Movement's website (tech.groups.yahoo.com/group/WSM_Forum) who quoted a University of Michigan opinion poll showing that some two-thirds of Americans believe government is being "run by big interests looking out for themselves" (message 35220).

We do not need an opinion poll to confirm this finding; ask those you work with or the people in the pub or in the club. It is no secret that a small minority of people are millionaires and billionaires or that such people do not actively participate in producing goods and services. Unfortunately, despite claiming that they live in a democratic society, most people's reaction to their own condemnation of the system is likely to be something like. "Yes, it's true but, unfortunately, there's not much we can do about it!"

In the past

Capitalism's great historic mission has been to make the production of wealth social; socialists want to make the distribution of wealth social. To achieve its purpose the bourgeoisie overthrew feudal society and its aristocracy by means of violent revolution. To do that, to get the political control of that combination of labour power and the resources of nature, they had to contest and overcome the prevailing public opinion.

A stalwart of the, then, prevailing public opinion was the church. It proclaimed that the power of kings to rule was ordained by God. In turn this ordinance of Divine Right was reciprocated by loyalty from king to church. Power under the monarch was organised by patents of vast estates to men who were favoured by the monarch for service to the crown and who paid tribute and pledged loyalty to the crown. This aristocracy of lords and titled personages in turn granted servitude to the poor and dispossessed serfs who, in return for working their landlords' estates and being available for military service, were afforded the privilege of a portion of land on which to provide habitation and subsistence for themselves and their families.

As the medieval merchants, the burghers of the towns, grew more affluent and nascent technological developments created the basis of greater productive units for the employment of labour the middle class, the bourgeoisie, challenged the aristocracy for political power in order that it could legislate political conditions conducive to its interests. The public opinion that underpinned feudalism had to be changed including the theological dictums of the church which upheld the power base of the king and the aristocracy and condemned such practices as usury, as banking was an important function in the new fledgling capitalism.

So Europe saw the birth of Protestantism and 'religious' wars that concealed the profane interests of the opposing owning classes. The victory of capitalism over its archaic rival was assured; it represented a progressive social development, in fact an idea whose time had come and it was ultimately irresistible.

Public opinion today

Today capitalism reigns supreme throughout the world not because the majority support it but simply because the majority accept it and they accept it because they know of no alternative to it.

Socialist Standard April 2008

Socialists offer a clear, practical and rational alternative but as yet the socialist movement is small and unfortunately the broad Left, whatever its intentions, has not only created massive confusion among our class but in claiming state capitalism as its goal, these ersatz socialists have created a mass consciousness of the cure being worse than the disease.

This notion of the immutability of capitalism is the bulwark that defends that system and the ruling class and their political hirelings are not slow to use lies and scare tactics in defence of their system. The millionaires and billionaires do not invest their millions and billions in the electronic and print media to inform the working class about the cause of their problems; these are valuable instruments in fashioning contemporary public opinion. The media will find space for acres of nonsense: a man who bites a dog, a Prince whose mother, the Head of the Anglican Church, advised him to go killing in Afghanistan, the lunacies of celebrities. . . Effectively, what we call 'news' is part of the conditioning process of capitalism.

The fare served up by political journalists is simply the current vicissitudes of capitalism; the vices and virtues, as they or their masters see them, of the inevitabilities of the system. Rarely are they equipped with a knowledge of the socialist alternative and even if they were and wished to advise the public it is unlikely that their material would pass muster with the concealed editors – the shareholders.

Socialism is not a palliative for the ills of capitalism; those ills are endemic to the system and they have defied the best plans and the best intentions of the wise and the well-intentioned right across the political spectrum. Uniquely socialists do not suggest that they have the answer to either the system or any of the system's problems; in fact we argue that they are not problems, they are inevitable aspects of capitalism; that instead of voting to change the politicians who run the system we should be voting for representatives mandated to abolish capitalism and establish socialism.

Still, whether they like what is happening or not, the media must deal with what are deemed newsworthy situations. They must report the presence of 200,000 people demonstrating in Trafalgar Square about the war in Iraq. The case for socialism, too, will become 'news' when 200,000 people are demonstrating not against a particular war but against the system that causes wars and the multiplicity of social evils of which the Left make separate causes.

The socialist objective

The public opinion that socialists want to promote is one that encourages the public to consider the case for socialism and ultimately to use the limping democracy afforded by capitalism to abolish that system and establish socialism.

Socialism will mean that all the instruments of production and distribution will be taken into the common ownership of society as a whole and will be used solely to produce the goods and services needed by the human family. The axiom: "From each according to their ability; to each according to their need" will become the general principle underpinning the production and distribution of wealth. The wages and money system, so wantonly wasteful of most human activity today, will become redundant;

people will no longer be stratified by class divisions; the nexus between property and crime will be broken and the vested interests that promote armaments and wars and a frightening threat to the entire biosphere will cease to exist.

The nature of the socialist case determines the means by which it will be achieved. Socialism from its inception will need the voluntary co-operation of its citizens. The mass of people will no longer be anonymous wage slaves. Those who opt for socialism must know the life-changing benefits to be derived from the new system; equally, they must be clearly aware of their individual obligations to that system.

That is what socialism is about; it is not a quick-fix; it involves clarifying the meaning of socialism and shattering the belief that there is no alternative to capitalism and that cannot be done by claims that we can patch-up the system with piece-meal reforms.

That is something we would ask our fellow-workers on the Left to consider.

RICHARD MONTAGUE



Kosovo: Open for Business

Kosovo became an independent state in February and was immediately recognised by the US and most European countries. We look at one of the reasons why.

Kosovo emerged as an independent State after decades of uneasy existence as part of Serbia. There was an inevitable new anthem and new flag. But there are real political concerns best not forgotten in the ballyhoo and hopes for a brighter future.

One man interviewed by the BBC's Mark Madell described how during the war he fled his village with many relatives under attack by Serbian troops. He had to leave his aunt behind and she was burnt to death. He said: "Kosovo is rich in minerals and rich in farming land, is rich in all other aspects. Here, we provided wealth for so many years for the whole of Yugoslavia, there is no reason why we cannot provide now for just Kosovo. That's why I'm saying Kosovo has a bright future." (Mark Madell's Euroblog: 'Mining Kosovo's Future' 29 January)

Alongside the declared humanitarian reasons for the UN intervention in the Balkans in the 1990s there were other, economic and political, considerations also in play. It is these interests that will shape future developments in the states of the former Yugoslavia and dominate the lives of workers there.

The *New York Times* (8 July 1999) carried an article by Chris Hedges about the Stari Trg mining complex in Trepca, Kosovo. Possibly inadvertently, it gave an insight into some of the considerations that surrounded the decision to intervene. According to Hedges, "The sprawling state-owned Trepca mining complex, the most valuable piece of real estate in the Balkans, is worth at least \$5 billion."

It was the reported view of the mine's director, Novak Bjelic, that "The war in Kosovo is about the mines, nothing else. This is Serbia's Kuwait – the heart of Kosovo. In addition to all this, Kosovo has 17 billion tons of coal reserves." The Yugoslav web site www.yugoslavia.com (now defunct) described Trepca as having the "richest lead and zinc mines in Europe." The capacity of the lead and zinc refineries ranked third in the world and the area as a whole represented some 80% of Yugoslavia's mineral deposits. The problem was they were old and inefficient and seriously polluting.

According to Michael Palaret of the University of Edinburgh, a leading authority on the economic and social history of the Balkans,

"The Trepca system 'as a rule' lost money under Yugoslav socialism ... Because of Trepca's incapacity to generate funding of its own for investment, all investment funding had to be financed externally, by fund providers who did not anticipate that they would see any return on (or of) their capital." In his opinion the \$5bn figure quoted by Hedges above was exaggerated. However while Trepca consistently performed poorly, this was not because it could not have been managed more effectively: "Unlike most heavy industry... Trepca had good mining assets and low cost access to energy, so on the face of things there were no structural reasons for its inability to trade profitably." (European Stability Initiative http://www.esiweb.org/pdf/esi_bridges_id_2_a.pdf)

Further insight may be gained into the economic underpinnings of the UN intervention from a report by the International Crisis Group. The report is interesting in that it provides further evidence that the breakup of the former Yugoslavia was in large part motivated by conflicting economic interests. The various regions of the Federal Republic had fallen out over how their assets and liabilities were to be divided and allocated. The differences were long standing and could not

be resolved peacefully. In other words it was a fight among competing capitalists interests. One of these interests lay in Kosovo – the supposed "heartland of Serb identity."

"Trepca is a sprawling conglomerate of some 40 mines and factories, located mostly in Kosovo ... Its great mineral wealth is the basis of the economy of Kosovo, but the complex is badly run-down as a result of under-investment and over-exploitation by governments in Belgrade." (*Trepca: Making Sense of the Labyrinth* (ICG Europe Report N°82, 26 November 1999) <http://www.crisisgroup.org/home/index.cfm?id=1585&l=1>)

In 1974 Tito's new constitution accorded the province near-republic status, with its own parliament and courts, Kosovo elites enjoyed a period of greatly increased control over their own resources. They used their enhanced authority to build factories in Kosovo that capitalised on their mineral production, created thousands of jobs, and brought some income into the province.

After Tito's death, pressure grew for more rights and greater political and economic autonomy, but with little success. Belgrade reasserted control of the mines. Kosovo Albanian workers were accused of having stolen vast quantities of gold and silver and many engineers and technicians were fired.

"From 1981-89, Belgrade monopolised the export of Trepca's minerals to Russia and elsewhere, reaping the profits in hard currency and oil, while compensating the Kosovars only with electricity and other non-fungible forms of payment..."

Trepca's Kosovar management attempted to sell its products on the European market and to modernise the facilities' modes of production, only to be foiled time and again by the Serbian government, which was in the process of "integrating" Serbia's economy – that is, of tethering all economic sectors even more closely to Belgrade.

By the late 1980s, with the final integration into the Serbian system of the power generating system, Kosovars had lost virtually all control over their economy, as they would over their politics and civic freedoms." (*Trepca: Making Sense of the Labyrinth* (ICG))

In 1996 Trepca had exported \$100 million of products, making it the largest exporting company in the Federal Republic of Yugoslavia and an invaluable foreign exchange earner at a time when the country was experiencing grave economic difficulties.

Throughout the 1990s the ownership of Trepca conglomerate was never entirely clear. In November 1997 Trepca was under consideration for privatisation by the federal government in Belgrade. This process stalled when the 'red businessman' Zoran Todorovic, was murdered by a gunman in Belgrade. Todorovic had been a close confidant of Slobodan Milosevic and was one of the richest men in Yugoslavia. He was one of a group of state capitalists who had been able to use their political connections to purchase state assets at bargain prices. (He was also director of Beopetrol, another state firm in the process of being privatized.) This was in effect a conversion of state owned assets into *de facto* privately owned ones by the ruling capitalist class.

Officials of the UN Interim Mission in Kosovo (UNMIK), who took over governing Kosovo in 1999 after the withdrawal of Serbian troops, concluded that the complex was overall public property and therefore came under their authority in accordance with its mandate. The then head of UNMIK, Bernard Kouchner (now French Foreign Minister), confirmed that an international

"The war in Kosovo is about the mines, nothing else. This is Serbia's Kuwait – the heart of Kosovo."



Billionaire George Soros

consortium had been appointed to run the plant. A \$16m (£10.7m) investment package was also announced, funded by Britain, France, Spain, Germany, and the EU. The money was to be spent on a full-scale refurbishment of the plant prior to it being sold off. "We have no intention of closing any part of the Trepcia mining complex. On the contrary, we're going to make it safe and profitable," he said. (*The Guardian*, 15 August 2000, <http://www.guardian.co.uk/world/2000/aug/15/balkans>)

But it was not only the mines that capitalist interests had their eyes on. In July 2000 it was announced that a fund run by the billionaire George Soros was to invest \$150 million (most backed by U.S. guarantees) in companies in the Balkans. Soros Fund Management would invest \$50 million of its own equity in new businesses, expansions or privatization in the region and would have full autonomy to choose the investments in a whole

swathe of South East Europe. Soros had invested millions of dollars in philanthropic endeavors in the region, but said this fund would practice "tough love," and be driven purely by profit.

The U.S. Overseas Private Investment Corporation had agreed to provide a loan guarantee for another \$100 million of investments. OPIC describes itself as a self-sustaining federal agency that sells investment services to American businesses expanding into emerging markets around the world. It provides a level playing field for U.S. businesses in emerging economies.

"Since 1971, OPIC has supported nearly \$130 billion worth of investments that will generate over \$61 billion in U.S. exports." (http://skopje.usembassy.gov/southeast_europe_equity_fund.html)

The Soros investment was conceived at a "donor" conference in Sarajevo in 1999. It was one of a series of efforts to take advantage of emerging investment opportunities in the Balkans. "A year ago, after NATO won the war in Kosovo, more than 40 leaders came together in Sarajevo determined to win the peace with economic investments", according to National Security Advisor Samuel M. Berger.

George Munoz President and CEO of OPIC said he was pleased that they were making the region safe for international capital. It was a demonstration that "Southeast Europe is an important region on which we should focus our efforts, to enable it to rebuild and enter the global marketplace as a full partner. The Southeast Europe Equity Fund is an ideal vehicle to connect American institutional capital with European entrepreneurs eager to help Americans tap their growing markets."

The Soros Private Funds Management, he said, was sending "a strong, positive signal that Southeast Europe is open for business."

GWYNN THOMAS



Cooking the Books 2

That's capitalism

In the February *Socialist Standard*, in an article on the price of bread (<http://www.world-socialism.org/spgb/feb08/index.html>), we commented on the fact that under

capitalism a basic foodstuff such as wheat was "a world commodity traded on world markets and so subject to international speculators betting on its future price going up or down".

At the end of the month the news broke that a "rogue trader" called Dooley working for a firm called MF Global had lost his employers \$141.5 million. Rather foolishly, it might be thought, he bet that the price of wheat would go down. But it went up:

"He had bet on the price of wheat declining by entering into about 4,000 futures contracts, which would require him to deliver about 20 million bushels of wheat at an agreed time and price. The greater the decline in the price between agreeing the contract and delivering the wheat, the cheaper the cost of satisfying the delivery and the larger the profit Mr Dooley stood to make. But instead, the price of wheat kept

on rising . . ." (*Times*, 29 February)

It should not be thought that MF Global is in the business of delivering wheat. It doesn't run a fleet of ships or trucks. It is a financial institution specialising in speculating on how the price of wheat – and anything else – moves. When the delivery date of, in this case, wheat comes near they pass the contract on to a shipping or delivery firm.

As Marx once pointed out, the capitalist is not interested in any particular product. All they are interested in is profit and they don't care whether they make it from producing and selling bibles or producing and selling whisky. Firms like MF Global, with no connection with actual production, illustrate this point well.

Wheat is not sold to individual consumers. It is sold to capitalist firms with money invested in milling it into flour, who, in turn, sell this on to the other capitalist firms with money invested in baking it into bread. These intermediary firms are not happy with the rise in the price of wheat which has doubled over the past year. The head of one of them, Sir Michael Darrington, lashed out at wheat speculators on the occasion of his retirement as managing director of Greggs, the high street bakers:

"There are stocks of wheat and grain in the world, and crops are growing at the moment but funds are being set up as speculators see an opportunity to make

some short-term money and someone has to pay for it. It's really sad for people in the developing world where food can account for 70 per cent of the family budget. Wheat is predominantly grown in America, Australia, Europe – the wealthier areas – and people in under-developed countries are hurting the most".

The *Times* (12 March), reporting this, said he added:

"I suppose that's just capitalism but it's jolly disappointing. If society looked down on these funds then perhaps it would make a difference".

It is indeed a powerful indictment of capitalism that firms like MF Global speculate on the price of wheat while at the same time millions throughout the world are suffering from a lack of food. Proof, as if any more were required, that capitalism is a system geared to profit-making not the satisfaction of human needs.

But would it make any difference if MF Global and other speculative funds were "looked down on"? It is probably true that most people in the world do already look down on them, including a decent-minded capitalist like Sir Michael. But they can't do anything about it. After all, investing money to make more money is what capitalism is all about. MF Global and the other funds are just applying the profit motive.

PUBLICATIONS ORDER FORM

PAMPHLETS

Price and Qty

Ecology and Socialism.....	£1.00 x ____
From Capitalism to Socialism: how we live and how we could live....	£1.00 x ____
Africa: A Marxian Analysis.....	£1.50 x ____
Socialism as a Practical Alternative.....	£1.00 x ____
Some aspects of Marxian Economics.....	£2.00 x ____
How the Gods were Made.....	£1.50 x ____
Marxism and Darwinism by Anton Pannekoek.....	£1.50 x ____
How we Live and How we Might Live by William Morris.....	£1.50 x ____
The Right to be Lazy and other articles by Paul Lafargue.....	£2.00 x ____
Marxism Revisited.....	£2.00 x ____
Socialist Principles Explained.....	£2.00 x ____
The Market System must Go! Why Reformism doesn't work.....	£2.75 x ____
All the above pamphlets (25% discount).....	£15.00 x ____

BOOKS

A Socialist Life by Heather Ball.....	£3.75 x ____
Are We Prisoners of our Genes?.....	£4.75 x ____
Socialism or your Money Back.....	£11.95 x ____
All the above books and pamphlets (25% discount).....	£30.00 x ____

DVD

Capitalism and Other Kids' Stuff.....	£5.75 x ____
TOTAL	£.....

All prices include postage and packing. For six or more of any publication, reduce the price by one third.

Return this form along with your cheque or money order to:
**The Socialist Party of Great Britain, FREEPOST,
 London, SW4 7BR, United Kingdom.**
 (No postage necessary if mailed within the UK)

NAME.....
 ADDRESS.....

 City.....
 Postcode.....
 County.....
 PHONE (optional).....
 E-MAIL (optional).....

Obituararies

Gladys Marie Catt 1918-2008

Marie joined the SPGB in the spring of 1941. The outbreak of war had profoundly disturbed her, along with her family and friends. Her two brothers and her future husband had become conscientious objectors and she became engaged in their struggles to win conscientious objector status. Marie was persuaded about the necessity of socialism partly by the Party's stand against working-class participation in the war, but also by the forcefulness and clarity of the Party's speakers at the outdoor meetings held at Lincoln's Inn Fields and she joined the Palmers Green Branch where she met Sid Catt, her future husband.

In 1957, she, Sid and daughter Jean emigrated to Canada and settled in Toronto. After settling in, they became a contact and propaganda centre for the Socialist Party of Canada. They set about recruiting members, holding discussion forums in their home and speaking at Allen Gardens. By 1964 they had organized the first Party Local east of Winnipeg.

Marie continued her activities for many years. She always spoke forthrightly and passionately in favour of socialism in whatever circumstances she found herself. Her grasp of the meaning of the Object and Declaration of Principles was thorough. She once wrote of the significance of these Principles to members of the Party:

"These have remained the sheet anchor for their understanding, proved the strength of their case and their integrity, making it impossible to confuse them with any reformist organization This Object and Declaration of Principles are as valid today as they were at the time of the inception in 1904 of this unique political party."

B.S. (Canada)

Jean Higdon 1934-2007

Jean's secular send-off was attended by fifty of her family, friends and party members.

Of those who were invited to speak on Jean's life were her son, Jon, who spoke of Jean's dedication as a mother; Mike Lee, Chairman of the Auckland Regional Local Bodies' Council, who briefly outlined Jean's socialist thinking (production of use, not for sale); and Jean's neighbour whose fractious child was always comforted by Jean's pleasant manner, and a party member whose galloping rhetoric brought smiles to what might have been a sombre occasion. Said he, "None of those parasitic bastards in Buckingham Palace, the White House or the Kremlin would be tall enough to polish the shoes of Jean Higdon!"

Jean was for many years secretary of the Auckland Branch of the WSPNZ, taking lengthy notes of the discussions we had, and typed out the minutes almost verbatim.

Jean was responsible for the layout of the party journal, *The Socialist Review*, from 1971 till 1982 when it folded because we couldn't find any writers. Jean was also a sometime parliamentary candidate for Auckland Central on the socialist ticket, and with her late husband made a vital contribution to spreading the socialist case in New Zealand.

They are both remembered for their humanity and generosity of spirit.

Our condolences go to Jean's family.

Executive Committee, WSPNZ, 8 February 2008

2007 SOCIALIST STANDARD INDEX
 An index of articles to 2007 can be obtained by sending two first-class stamps to Socialist Standard, 52 Clapham High Street, London SW4 7UN

wsm forum
 ■ want to talk about what you've just read?
 ■ discuss the questions of the day with party members and non-party members online.
 join the forum via www.worldsocialism.org

continued from page 10

talism works than most other supporters of it. While, for instance, he understands the need of workers to organise themselves in trade unions so as to defend their interests, he is apparently wary about investing in highly unionised companies:

The inherent financial weakness of the price-competitive business has given organized labor enormous power to demand a higher cut of a company's profits . . . in situations like these, unions become demanding semi-owners with whom shareholders must constantly share their wealth or risk a strike that could lead to the financial destruction of their business. Warren doesn't like to own businesses that have organized labour.' (Mary Buffett, *The New Buffettology*).

This quote illustrates that Buffet knows perfectly well what is going on in the struggle between capital and labour (and which side he necessarily sits on).

Irony

One of the many ironies of Buffett's life is that he has accumulated capital for the sake of it, very much as the system demands, yet has never really known what to do with his vast personal wealth; he spends very little of it and doesn't believe in inherited wealth either. So in 2006 he declared he was going to give away at least \$30 billion of his fortune to the Bill Gates Foundation, so that it could be spent improving healthcare across the world.

In many ways this was a noble gesture, and a more generous act than anything from most of the world's other rich men, yet it is the very system in which he is a proud 'allocator of capital' that leads to world poverty and lack of decent healthcare in the first place. Buffett has recently attacked the Republican administration in the US on the grounds that it is obscene that he pays less of a proportion of his income in tax than someone on the minimum wage. Yet, above anyone else, Buffett should know that in capitalism, capital accumulates to those who have it and invest it. And it expands because those who are relatively poor (the working class) create value greater than they ever receive back in wages and salaries, with this 'surplus value' created by those who have to work for a living sustaining those who don't, generating rent, interest and profit for the system as a whole than can be reinvested in the capitalist treadmill. In the market economy, the rich are rich because the poor are poor. Indeed, companies grow because the rich are rich and exploit the poor, and it can't work any other way.

Mr Buffett may be a highly intelligent man and a great philanthropist, but the bipolar extremes characteristic of Mr Market are no way to run a sane society, but are characteristic instead of a system where only a minority can be winners and they depend for their position on the vast majority being losers. And no amount of well-intentioned philanthropy is ever likely to change it.

DAP

Blame culture

Popcorn Grand Theatre, Lancaster

Popcorn is a play based on a 1996 novel by Ben Elton and is perhaps a satirical tribute to Oliver Stone's 1994 film, *Natural Born Killers* which portrays violence, family upbringing and abuse as factors in creating killers. That film's self-conscious portrayal of media-propelled voyeurism was maybe intended to get audiences to question whether in viewing the film they are becoming implicit in promoting and excusing violence. *Natural Born Killers* was initially banned in England, apparently because it glamorised serial killing. In America, critic John Grisham went so far as to suggest that film makers should be made legally accountable for inspiring real life murders after a couple went on a killing spree in Texas. At the time I remember thinking that what was more likely to cause offence to those who controlled the media was its powerful attack on the media through, for example, its satirical use of a TV-style comedy perspective to represent sexual abuse within the family as being jovially dysfunctional.

Popcorn centres on a film director, Bruce Delamitri, who makes movies which are said to glamorise violence. It mainly takes place at his after-award ceremony party which is hi-jacked by a couple, "The Mall Murderers", on a copy-cat killing spree which is seen to mimic that of characters in his films. The play is perhaps a less morally loaded critique of the media than *Natural Born Killers* and more a critique of wider society's blame culture.

Within *Popcorn*, film director Bruce Delamitri faces widespread criticism for inspiring murder through portraying it as cool. However his films are still in high demand and he wins a prestigious award. In this sense the audiences of his films can be seen to condone their violence by consuming not rejecting the films. To counter his critics, he presents the well-used argument that human beings are not passive recipients. They do not simply process his films as instructions and then go out killing in robotic like fashion. Violence has always been in society, he argues. Like Delamitri, however, "The Mall Murderers" also do not take any responsibility for the killings, blaming them both on Delamitri's films and on past abuse and a dysfunctional family background. In fact no one takes responsibility for anything, "the story is full of witticism and when some one dies you feel nothing". (Wikipedia)

In order to feel, the creators of *Popcorn* are perhaps asking us to take back responsibility. Take back responsibility as consumers and as actors and to take responsibility for society as a whole. Saying that that's how things have always been or will always be is not an excuse.

Whether or not violence on TV, the theatre or in computer games can play a part in promoting violence in wider society, as socialists we believe that a large

amount of violence that does exist is a characteristic of class society. In class society institutionalised violence lies at its foundations in the power of the military and the police. In class society an economic system cherishes money and power to the detriment of human beings. Commodity is valued over community and well-being, so that we grow up to be insecure while surrounding signals tell us that consuming products will make us better – by the age of thirteen, 75 percent of what children are told about themselves is negative.

I work with young people, a significant percentage of who have been labelled as "growing up in deprivation." Many of these young people have been the victims of violence and many have learnt to stop feeling by disassociating themselves from their experiences. Furthermore, some have learnt to disassociate themselves from their own behaviour enabling them to hold the view that their current behaviour and actions are not their fault. This way of looking at the world is supported by a prevailing culture of blame. While the violence they faced certainly wasn't their fault and one can never underestimate how difficult it may be to survive, it is crucial for the future well-being of these young people for them to learn to recognise that how they choose to behave now, within the limits of capitalism, is their choice. They do not, for example, need to continue a family history of violence. Tragically some choose prison over the violence of poverty and the purposeless they experience outside. What is critical, however, for these young people and for those whose lives have not been so damaged, what is critical for all of us to move in a positive direction is the need to begin to take responsibility for actions and the society we are part of. Simply blaming the socio-cultural environment we grew up in for the world we live in can be an excuse for inaction and a barrier to change.

Of course *Popcorn* doesn't go far enough. Taking personal responsibility will not necessarily free us from alienation, poverty and violence, but it is a start. Of course we know that boycotting a product, going on a demo, recycling our rubbish or giving to a charity won't change things either, apart from perhaps creating a sense of individual smugness. How many people 'did their bit' in the Poll Tax riots or Reclaim The Streets marches and now sit on their imaginary laurels passing the buck? It is easy to critique capitalism. It may be easy for us to blame our own behaviour on it and it is not always easy to feel motivated to organise for change, especially after a hard day of wage slavery. However, the only way to bring about radical social change is for us to take responsibility for our lives and take responsibility for organising for a socialist world. We have no desire to reform a system which depends on violence and control over others but to build one based on common ownership and mutual cooperation.

LORNA

Just in one country?

2050 Vision. How can the UK play its part in avoiding dangerous climate change? By Matthew Lockwood and Jenny Bird with Raquel Alvarez. Institute for Public Policy Research. 2007. £10.95.

This 100-page study by the left-leaning IPPR argues that Britain “should be aiming to make reductions in carbon emissions of at least 80 per cent from 1990 levels by 2050, if we are to avoid a 2°C global warming above pre-industrial levels”.

The authors show that this is technologically feasible in that wind power and carbon capture (from fossil fuels) and storage could be developed if enough resources were devoted to this. Technically feasible, no doubt, but how likely is this to happen? The authors themselves mention, though only in passing, the main flaw in their analysis: UK emissions represent only 2 percent of the global total, so even if these measures were adopted in Britain this would only have a very marginal, if any, effect on global warming. But if other countries didn’t follow this would have a disastrous effect on British capitalist industry.

The authors admit that the forecasting models they used failed to include “interactions with the wider global economy” and add limply:

“Some of these interactions involve risks for energy-intensive, and therefore carbon-intensive, industries exposed to international competition, and these may need extra support in decarbonising if production and jobs are not to relocate.”

Well, yes, and if that happened global warming would not be affected at all. The emissions would continue but in a different part of the world. And since all industries depend to some degree on energy they would all be affected by the increased energy costs the authors proposals would involve, even if it is true that energy-intensive industries would be the worst hit.

In short, applying unilaterally what is technically feasible but more costly would undermine the competitiveness of British industry on world markets, and that no government would dare do. So, in practice, there is no chance that any British government would go it alone on this issue. But the authors still maintain the illusion that one might, by talking of Britain giving a lead which others will follow. Some of those they consulted thought this might happen. Others were more realistic:

“Respondents from the United States were generally less convinced that leading by example would be enough to encourage movements from the US – despite the ‘special relationship’ between the US and the UK – or from other countries. Differing national circumstances were cited as one reason for this. The UK’s (and the EU’s) increasing dependence on fossil fuel imports puts them in a very different position to many of the world’s

major CO₂ emitters, which have access to large reserves of coal and/or other fossil fuels. It was therefore felt unreasonable to expect these countries to reduce their fossil fuel consumption just because the UK had taken a lead”.

Precisely, and that’s the whole point. The EU countries, including Britain, are prepared to reduce their reliance on having to import fossil fuels to generate energy. That makes economic sense for them. The US and China, which do have access to large internal reserves of oil and/or coal, are not so keen. And, given that under capitalism “nation shall compete with nation”, why should they be? Why would they shoot themselves in the foot by undermining their competitiveness any more than any British government is likely to by unilaterally adopting the measures? proposed by the IPPR’s naïve researchers.

There is, quite simply, no solution to the problem of global warming within capitalism.

ALB

World Bankers

The World Bank – A Critical Primer. By Eric Toussaint. Pluto Press.

Throughout this comparative study of official World Bank statements and internal memos, Eric Toussaint lays bare the absolute conflict between the public and private ideologies, time after time revealing the imperative of achieving US political aims above all other considerations. It is a very interesting book making the facts and figures of economics accessible to the layperson through ample explicit tables and clear explanations with minimum use of jargon.

Contrary to common belief, the mission of the World Bank under the umbrella of the UN was not and is not to reduce poverty but (1) to rebuild Europe post second world war and (2) to promote the economic growth of the South through development. As a part of the World Bank Group the World Bank is (supposedly) bound by the UN Charter and according to the International Court of Justice it is the duty of the World Bank to respect human rights and customary law in general. However, nowhere is this obligation seen to be incorporated in the implementation of their policies; in fact examples abound as to how readily and easily these obligations have been circumvented or simply disregarded. In strict violation of a UN right of people to self-determination the World Bank granted loans in the 1950s to Belgium, France and Britain to finance projects in their colonies, mostly for mining for the benefit of the colonial powers and then, following independence, the debt was transferred to the newly emerging nations. This “odious debt” is a violation of international law which Toussaint describes as having been imposed on “the Bank, with the connivance of its main

colonial shareholders and the blessing of the US”.

The Bank’s mandate was to be purely economic, not to be involved in politics but even the first loan it granted in 1947, to France, was held up by the US government until Communist Party members were ousted from the coalition government. One chapter is specifically devoted to examples showing that the policy of granting loans is first and foremost determined by the US government often on the basis of purely political objectives. From the 1990s the US influenced against granting loans in areas that would compete with US products. Where oil was concerned drilling was encouraged, refining, not. In essence, more primitive accumulation, showing no regard for environmental concerns or human rights and contrary to the UN Charter. The over-riding message is the blatant, systematic disregard for the founding principles of the Charter.

As to the answers to criticisms of the Bank’s succession of errors or bad management Toussaint reveals them to be “a deliberate part of a coherent, carefully thought out, theoretical plan, taught with great application in most universities.” The strategy, in a nutshell, is that providing infrastructure should fall on the state sector and anything that might prove profitable should be given to the private sector (preferably favouring multinational corporations), i.e. privatisation of profits combined with the socialisation of the cost of anything not profitable. Within the indebted country failing private companies would have their debt transferred to the state (as the military junta in Argentina transferred \$12 billion of private debt to the state). Thus the capitalists in developing countries escape their debt, having it paid instead by the Treasury at the expense of the workers (Toussaint’s analysis). In Argentina in the 80s (just one typical example) even subsidiaries of transnational corporations indebted to their parent companies had their debts transferred to the Argentina Treasury; Renault, Mercedes-Benz, City Bank, Chase Manhattan, Société Générale etc. etc., all transferred their debt and as the government had no access to their accounts, one might raise an eyebrow!

Describing the demise of Mexico in the 80s Toussaint is of the opinion that “Mexico has lost control of its destiny which, historically, has been the US’s objective since the nineteenth century.” By the end of the 90s all six major developing regions showed negative net transfer meaning simply that their debt to the World Bank was continuing to grow because they couldn’t keep up with the payments. Reports and internal memos reveal the Bank saw the crisis on the horizon but their “double discourse” informed the public and indebted countries that there was nothing to worry about. When the subject of Debt Reduction was eventually raised (in 1989) by the US government the Bank complied. This consisted of indebted nations buying US Treasury bonds in exchange for a

reduction of their debt; in effect now the indebted countries were financing the policy of indebtedness of the US itself. As for the Bank's own accounts, since its founding in 1946, they have consistently produced positive net results. Since 1985 each year has exceeded \$1 billion in profits whilst all developing countries' net transfers since 1987 have been negative, resulting in increasing debt.

Eric Toussaint is President of the Committee for the Abolition of Third World Debt (CADTM) whose mission is "to contribute to the emergence of a world based on the sovereignty of its peoples, on international solidarity, equality and social justice" with which we can broadly agree. Throughout the book he promotes "a break with the capitalist system" and tells us that "a system of redistribution of wealth is needed." Point 30 of 31 indictments of the World Bank says "a new international, democratic institution must urgently be found to promote a redistribution of wealth and to support people's efforts towards development that is socially just and respectful of nature." Then he goes on to talk of 21st century socialism without addressing what this means except to break away from the Washington Consensus, the World Bank and the IMF in favour of new financial and monetary institutions and to point to possible alternatives such as Venezuela, Bolivia and Ecuador.

An alternative system, hostile to capitalism but without a commitment to abolishing money? Is it possible that Eric Toussaint hasn't yet heard of the Socialist Party?
JS

Food for Thought

Making a Killing. Bob Torres. AK Press £11.

Some Socialists are vegetarians, but others are not. We have never seen a reason to take a stand on this issue as a party, however strongly some individual members may feel. In this book, though, Bob Torres makes a political case for veganism, in keeping with his support for social anarchism.

Torres begins by accepting a Marxian economic analysis of capitalism, as commodity production involving exploitation. But he then goes on to claim that animals perform unwaged labour and are super-exploited living commodities. In Marxian economics, however, they are a part of the means of production, i.e. of what Marx called "constant capital", which does not create new value but merely transfers its value to the product. Just as slavery involved some humans being the property of others and hence treated just as means to the end of the owners, so animals are under the power of humans. They are bought and sold, kept and killed in appalling conditions, experimented on, and used to provide milk, meat and eggs. This is speciesism, he says, integrated into society as much as racism once was (though note

Meetings

Manchester Branch School

Saturday **19 April**, 1pm to 5pm

THE SICK SOCIETY

Capitalism on The Couch

Speaker: Peter Rigg

Can Socialism Cure our Ills?

Speaker: Ed Blewitt

Friends Meeting House, Mount Street, City Centre (next to Central Library and Manchester Town Hall)

Summer School

Friday **18 July** to Sunday **20 July**

RELIGION

Our weekend of talks and discussion will explore socialist views on religion and its impact on society. How does faith relate to other aspects of capitalism, such as relations between countries or between communities? How does a religious outlook differ from a socialist or humanist one?

The venue for Summer School is Fircroft College, which offers excellent facilities within easy reach of Birmingham city centre.

Full attendance (including accommodation and meals Friday evening to Sunday afternoon) costs £120 per person, or £60 to those on low incomes. Send a £10 deposit (cheques made payable to the Socialist Party of Great Britain) to Summer School, flat 2, 24 Tedstone Road, Quinton, Birmingham, B32 2PD. Enquiries to Mike at spgbschool@yahoo.co.uk.

Socialist Ramble

A RAMBLE along the Green Chain Walk in South-East London, approx 6 miles. Sunday **8 June**, meet Falconwood station 11am.

This is open to members, supporters, non-members, etc. - anyone interested in finding out about socialism and the Socialist Party in a relaxed informal setting. We shall stop at a pub for lunch.

If you would like to know more about the route in advance, contact Richard Botterill on 01582-764929.

On the day, phone Vincent Otter's mobile **07905-791638**.

that there are separate species with identifiable characteristics, but no distinct races).

The 'animal rights' movement comes in for heavy criticism. For one thing, it is dominated by large organisations that employ professional activists earning high salaries. As such, it can be co-opted by the meat and animal products

Central London Dayschool

Saturday **5 April**, 1pm to 5pm

POLES APART, CLIMATE CHANGE, CAPITALISM OR SOCIALISM?

Speakers: Glenn Morris (Artic Voice),

Brian Gardner (Socialist Party)

Small Hall, Conway Hall, Red Lion Square, WC1 (nearest tube: Holborn).

Chiswick

Tuesday **15 April**. 8pm

THE NATURE OF HUMAN NATURE

Speaker: Adam Buick

Committee Room, Chiswick Town Hall, Heathfield Terrace (corner of Sutton Park Rd), W.4. Nearest tube: Chiswick Park.

Swansea

Mondays

Is Socialism a Faith? **14 April**

Ravages of Eco-Tourism **12 May**

Immigration: Can it Carry On? **9 June**

Talks followed by questions and discussions.

Venue for talks: Unitarian Church, High Street, Swansea, 7.30pm

Central London

Friday **25 April**. 7.30pm

"If you prick me...": a survey on racism

Speaker: Bill Martin

The Lucas Arms, (first floor) 245A Grays Inn Road, London WC1 (nearest tube: King's Cross St.Pancras)

Manchester

Monday **28 April**, 8.30 pm

'Discussion on Housing'

Unicorn, Church Street, City Centre

Edinburgh and Glasgow Day School

Saturday **10 May**, 1 to 5pm

Community Central Halls, 304 Maryhill Road, Glasgow

CAPITALISM IN THE 21st Century

Why Capitalism Can't Go Green, speaker Paul Bennet (Manchester)

Another Century Of War?, speaker

Gwynn Thomas (South West London)

The Tyranny of Copyright, speaker Tristan Miller (Central London)

Each speaker will speak for 30 minutes.

The rest of the session will be devoted to questions and discussion.

Free tea, coffee and light refreshments will be available throughout the afternoon.

Admission free, all welcome.

continued next page

PARTY NEWS

The Socialist Party will be contesting one seat in the elections to the Greater London Assembly on Thursday 1 May, the same day as the election for the mayor of London. The seat is Lambeth & Southwark and our candidate will be Danny Lambert. This is the constituency in which our Head Office is situated. Members and sympathisers who wish to help distribute our election leaflets, please contact the Election Dept at 52 Clapham High St, London SW4 7UN or phone 0207 622 3811 or email spgb@worldsocialism.org.

Reviews continued

industry. People for the Ethical Treatment of Animals has even given awards to someone who invented a more 'efficient' kind of slaughterhouse.

In contrast, Torres argues, the advocacy of animal rights needs to become part of a wider movement that challenges all hierarchy, domination and exploitation, whether of other humans, animals or nature. We do not need to eat meat or animal products in order to live, therefore we should not do so. Vegetarianism is not sufficient, since the production of both milk and eggs involves cruelty (e.g. cows must constantly be kept pregnant in order to provide milk).

Veganism, which involves making no use of animal products at all, 'must be not only the foundation and baseline of any movement to end the domination of animals, but also the daily practice of anyone who seeks to live their life free of all domination and hierarchy'.

There can be no dispute that many animals are treated abominably under capitalism. One question is to what extent their treatment is due to capitalism's demands for profit and for constantly cheapening the costs of production. For it does not follow that mistreatment is a hallmark of all use of animals for food. It is perfectly possible that a Socialist society would involve less eating of meat and eggs, and any animals kept for food purposes would certainly be treated as humanely as possible. It's all very well to talk about opposing all hierarchy, including that of humans over animals, but if it came to the crunch I suspect almost everyone would regard the life of a fellow human as more important than that of a non-human animal. So there can be no real equality of treatment between humans and animals.

Another Economic Blizzard?



So the bread lines and the soup kitchens have appeared again—in the United States and Canada.

It looks as if the slump that would never come again is now on its way. At least that is the impression one gets from statements by leading financiers, here and in America, and from articles that have appeared in London papers recently.

The *Times* for March the 4th, under the heading, "World Unemployment Survey," gives figures of unemployment in different countries. In the United States in January the figure was 4,494,000. This does not include unemployment among the 30 million who are not covered by unemployment insurance. Since January there has been a considerable increase in unemployment. The *Times* gives the unemployment figure for Canada in January as 520,000. Here also the figure has increased since January.

The *News Chronicle* for February 28th contains an article on Detroit by Bruce Rothwell. From this article it is evident that the huge empty factories around Detroit, and the empty shops

the present writer saw in Dearborn, when he was there last September, were the expression of something more than the shift of industry out of Detroit and the change-over to automation.

The *News Chronicle* writer has this to say:-

"Signs of the slump are everywhere and this is frightening America.

"For beyond this city millions more jobs depend on the car industry. One business in six is wholly concerned with it.

"Steel, rubber, glass, leather; they all slump when the assembly lines slow; and soon it spreads to us all.

"So Detroit, the centre of it, is harder hit to-day than in the 'thirties."

The writer states that there are 250,000 unemployed in Detroit now, and he tells of the soup kitchen run by the Capuchin monks which can only touch a tiny fragment of the thousands of hungry.

(From front page article by "Gil-mac", *Socialist Standard*, April 1958)

Picture Credits

cover: Warren Buffet - picasaweb.google.com/.../CzkQA0zHNA3prVXHmN-VHA.
Trooping the colour - © 2007 Jon. Creative Commons Attribution 2.5 licence.
p2: Trooping the colour - © 2007 Jon. Creative Commons Attribution 2.5 licence.
George Soros © 2006 Jeff Ooi. Creative Commons Attribution 2.5.
p4: Robot - Ngchinfung, 2006.
p9: Hamburger - Eric 2003. Coke - Hariadhi 2007. **p14:** crowd - Ragessos, 2007.
p15: toilet paper 10 - anyjazz65, 2005, Creative Commons Attribution 2.0 licence.
p23: Symbol - Missionários Passionintas.
p24: ambulances - www.dbh.nhs.uk.
Saddam - US military, 2003.

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.



Blair's a Catholic – it's official. But who cares?

If Blair had read Labour Party history, would he have been put off a political career for life?

Soon after Tony Blair's costive farewell to Number Ten, anyone who fretted about the chances of him joining the ranks of the impoverished – which his government promised to abolish – would have been reassured by the carefully crafted plans of this reluctantly-disciplined ex-public schoolboy who grew up into the ambitiously manipulative barrister on the look-out for an easy way into Parliament. All will be well for the Blair family budget. There will be the “lecture” tours during which each speech will attract fees running into tens of thousands of pounds. A lavish advance of payment will lubricate the writing of his memoirs (we all wait with tightly bated breath to find out how much he reveals and how much hides, of what went on). With staggering, if predictable, audacity he accepted the job of a Middle East Peace Envoy charged with repairing some of the damage wreaked on that unhappy place by military decisions in which his government was heavily implicated. Any spare time will be absorbed by the “consultancy” jobs which, for a few hours a month, promise to richly reward the advice he will give to commercial and banking interests about how to inflate their profits through prudent contracts. But apart from all that – after all, a poor boy from a multi-million pound home in Connaught Square has to scrape a living somehow – there are the spiritual riches Blair expects to spume out of his formally declared conversion to the Catholic Church.



Rebuke

The announcement of Blair's change to the Roman Catholic church was “formal” in the sense of his long-standing contact with that church while he was a practising Anglo Catholic. His biographer, Anthony Seldon, described him as “a profoundly religious figure” and says that it was religion and not “... reading Labour Party history” which brought him into politics in the first place. (It will be a matter for Blair to discuss in the confessional whether, if he *had* read Labour Party history, he would have been put off a political career for life). But for some time there has been little doubt about where, in terms of his allegiance to a church, he would end up. Although an Anglo-Catholic he took communion at Westminster Cathedral which, as it is not permitted for non-Roman Catholics, brought down a stern rebuke from the late Archbishop Basil Hume. For Blair, it must have all been reminiscent of time up before the head of Fettes. That his present situation continues to be confused was quickly pointed out by Ann Widdecombe (herself a convert): “he's gone against Church teaching on more than one occasion”. On the Michael Parkinson chat show in 2006 Blair offered a rather different version, saying that he had prayed while deciding whether to order British troops into Iraq “I think if you have faith about these things, you realise the judgement is made by other people...and if you believe in god, it's made by god as well”. Which conveniently passed off the blame for the slaughter onto someone who, as they don't exist, could not have a say in the matter.

Sedgefield

But Tony Blair cannot argue that his conversion was an attempt to understand, and unravel, a history of confusion about his political aims. Any reading of his rise through the Labour Party must bring a chilling sense of his single-minded ambition. His first attempt to get into Parliament was in May 1982, in Beaconsfield. A less likely opportunity for an aspiring Labour candidate would be hard to imagine, for Beaconsfield is one of the most arborescent and moneyed towns in the Chiltern Hills. Blair agreed to stand there on the advice of a more seasoned party member, on the grounds that making his

mark there would help him in applying for other seats. Perhaps that, as well as the rock-solid Tory vote, gave him some scope in how he presented himself politically; he had no qualms about describing himself as “a socialist”(either without defining the word or offering a definition which was a nonsense) and to admitting to support for CND. Of course he lost his deposit, reducing the Labour vote by 10 percent in the process. But he did indeed make his mark and, buoyed up with approval from local Labour stalwarts, he moved thankfully in search of a more possible seat.

This came in 1983, in Sedgefield, where the local man Les Huckfield was expected to win the Labour nomination. Conscious that the people had their differences from the bankers and chief executives of Beaconsfield, Blair was careful that his address for the adoption meeting did not mention that he had been to public school nor that as a barrister he had represented big corporations in court. He presented a letter of support from the then Labour leader, ex-left-wing-firebrand Michael Foot and it was arranged to unsettle Huckfield by hostile questions fed to Blair's supporters in the audience. It was all tightly organised and very effective, giving Blair the nomination in a safe Labour seat. It was also – although none of the party members there probably realised it – a foretaste of how he would behave when he got into Parliament and later into Number Ten.

Iraq

We may ask, for example, how those Sedgefield members would have voted had they heard him say, as he subsequently did: “I believe Margaret Thatcher's emphasis on enterprise was right” or that “Britain needs more successful people who can become rich by success through the money they earn”. Would those members have sat on their hands knowing that Blair was to justify the invasion of Iraq, at the cost of tens of thousands of lives, by lies about weapons of mass destruction the existence of which, he said, was “beyond doubt” and the defiant declaration “I am absolutely convinced and confident about the case on weapons of mass destruction-critics will be eating some of their words”? And would they have approved him sucking up to the rich and powerful while 13 million – that's one in five – of the population of the country he was supposed to be leading to the promised land of plenty and safety are officially classed as suffering poverty?

If Blair is to be a proper catholic he will have to attend confession – get down on his knees behind the curtain in one of those small boxes in a church while some robed hypocrite who rivals him in disseminating falsehood sits on the other side of the grille trying not to yawn while listening to him unburdening his mind before telling him how he can make himself feel a bit less guilty, perhaps by reciting some meaningless incantation or other. The question is, can Blair be trusted to come clean about his sins? After all what he has to confess will be the most serious for a catholic – the mortal sins which have speckled his time in politics. This may take him some time while others – politicians, media people, bankers and the like – wait their turn. It is all a part of the great deception which keeps this unbearable society in being.

IVAN

AN APOLOGY

There was a mistake In last month's *Greasy Pole (Flint's Hard Line)*. The TV programme in which Flint stood her ground against Andrew Neill was not *The Politics Show* (which does not exist) but *The Daily Politics*. For this confusion we apologise to everyone. Even, in case he reads the *Socialist Standard*, Neill himself.

Voice from the Back

Reformism Fails Again

It is a basic socialist principle that no programme of reforms can solve the problems of capitalism, but here is an example where well-intentioned reformism has made the situation worse. "Hospitals were last night accused of keeping thousands of seriously ill patients in ambulance 'holding patterns' outside accident and emergency units to keep a government pledge that all patients are treated within four hours of admission. ... An *Observer* investigation has also found that some wait for up to five hours in ambulances because A & E units



have refused to admit them until they can guarantee to treat them within the time limit." (*Observer*, 17 February)

Capitalism And Euphemism

Capitalism has got to have euphemisms to cover up the sordid nature of the system. Thus children maimed by napalm bombs are called "co-lateral damage" and troops blowing up their own troops is called "friendly fire". A recent addition to this sorry catalogue is "extraordinary rendition". "David Miliband has admitted two US 'extraordinary rendition' flights landed on UK territory in 2002. The foreign secretary said in both cases US planes refuelled on the UK dependent territory of Diego Garcia. He said he was 'very sorry' to have to say that previous denials made in 'good faith' were now having to be corrected. The renditions

- the transport of terror suspects around the world for interrogation - only came to light after a US records search, he said." ... "Amnesty International UK director Kate Allen said extraordinary rendition was 'a polite way of talking about kidnapping and secret detention'". (*BBC News*, 21 February)

Jobs For The Boys

When in opposition, Gordon Brown criticised the last Tory government for the "revolving door from the cabinet room to the board room", but he has remained silent about a similar ploy by his own party members. "Twenty-eight former Labour ministers have cashed in on their connections in government and Whitehall by taking jobs in the private sector in the past two years. It represents the biggest exodus of ministers into the private sector since Labour came to power and is worth at least £10M a year in salaries and fees." (*Sunday Times*, 24 February)

A Ray Of Hope

Socialists are often told that socialism is impossible because human beings are innately war-like and aggressive, but this report seems to suggest otherwise. "More and more Israelis are avoiding mandatory military service— something long viewed in this country as a proud rite of passage. "In the past, it is true that not serving in the military was considered the exception," said Dr. Rueven Gal, author of *A Portrait of the Israeli Soldier* and former chief psychologist for the Israeli military. "In more recent years it became more tolerable and more acceptable to people." In 1997, according to army statistics, fewer than one in 10 Israeli men avoided their mandatory three-year military service. These days, it's closer to three in 10. Women, too, are opting out at a faster pace: Over the last decade, the number of women avoiding military duty rose from 37 percent to 44 percent." (*Yahoo News*, 2 March)

Another Ray Of Hope

The awful carnage in the hate-filled Middle East and the religious brutality there fills socialists with gloom but this report would seem to suggest that all is not lost. "After almost five years of war, many young people in Iraq, exhausted by constant firsthand exposure to the violence of religious extremism, say they have grown disillusioned with religious leaders and sceptical of the faith that they preach. In two months of interviews with 40 young people in five Iraqi cities, a pattern of disenchantment emerged, in which young Iraqis, both poor and middle class, blamed clerics for the violence and the restrictions that have narrowed their lives. "I hate Islam and all the clerics because they limit our freedom every day and their instruction became heavy over us," said Sara, a high school student in Basra. "Most of the girls in my high school hate that Islamic people control the authority because they don't deserve to be rulers." Atheer, a 19-year-old from a poor, heavily Shiite neighborhood in southern Baghdad, said: "The religion men are liars. Young people don't believe them. Guys my age are not interested in religion anymore." (*New York Times*, 4 March)



Free Lunch

