

socialist standard



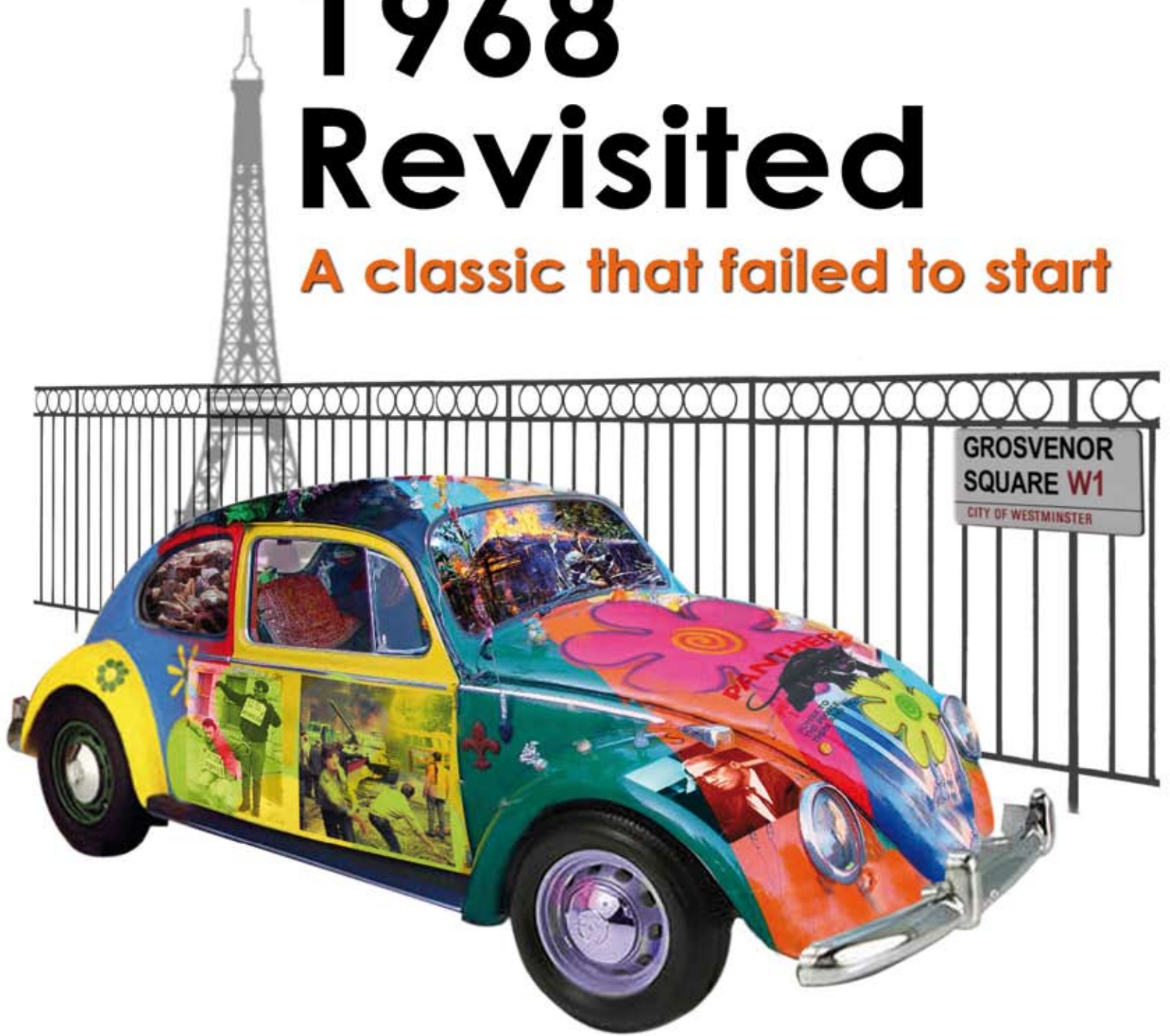
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Journal of The Socialist Party - Companion Party of the World Socialist Movement

1968 Revisited

A classic that failed to start



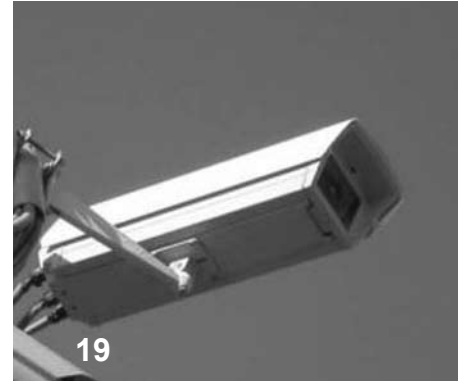
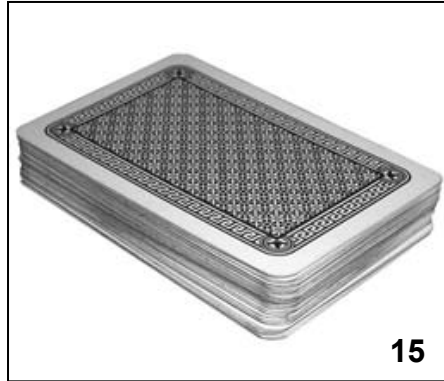
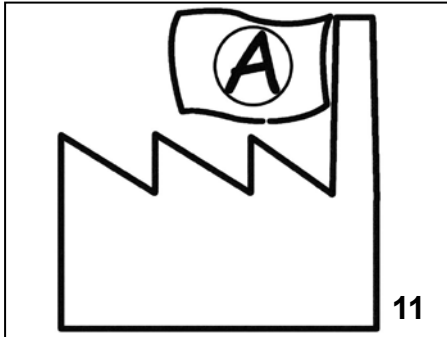
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THE SOCIALIST PARTY OF GREAT BRITAIN

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
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Introducing The Socialist Party

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

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

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

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

Editorial

Food security

THE UNITED Nations warned recently of a "new face of hunger" – it no longer has enough money to keep global malnutrition at bay. Is this due to drought, pestilence or civil war? No, it would appear that there is now a fifth apocalyptic horseman stalking the planet – a hike in the price of food.

Annual food price increases around the world of up to 40 percent accompanied by dramatic rises in fuel costs have stretched the already flimsy safety net of global capitalism to breaking point. Jossette Sheeran, head of the UN's World Food Programme (WFP) earned her crust by identifying what might just turn out to be the problem: "There is food on shelves but people are priced out of the market". Not for the first time, capitalism appears to have made history of recent attempts to reform it.

It's no longer just the countryside that is suffering: famine is coming to the cities of the third world. There is vulnerability in urban areas never seen before. Food riots have sparked recently, from Morocco to Mexico, Senegal to Uzbekistan. An increasingly globalised society appears to be presenting the same problems worldwide.

Of course the hungry and malnourished have never actually been away. Famines are just the tip of the iceberg: even between the droughts and civil wars, fellow members of our species die needless deaths (usually before their 5th birthday) and in their thousands everyday. The exact figures are not known or recorded: the Tomb of the Unknown Famine Victim grows bigger by the minute.

It is clear now however that, for every death from hunger, there is no genuine

technical cause. For every child's life that hangs in the balance, sufficient food has always been available within a matter of hours' – if not in some cases minutes' – distance. It's not a logistical problem or a matter of distribution. Neither is it an error in the market: the system is operating as it is meant to.

But isn't the market meant to send signals between consumers and producers? That's its claim to fame surely, that it efficiently lubricates supply and demand, matching the two. In reality the signal which the market often responds to is not one regarding supply and demand but the one identifying profitability. The entire edifice of the money system is not geared to satisfying the needs of the majority for even the simplest means of living, such as food. Instead the objective is nothing more or less than profit, and it is an objective shared by the small minority who own and control the means of producing wealth to the exclusion of the rest of us.

If you are an individual capitalist, why sell your entire warehouse of grain for a small profit per unit? And just to watch the market price drop? Far better to make just as much profit by restricting the amount you sell, and keeping the price high, and make just as much profit, while keeping your stock levels up for making a killing during the next famine. The invisible hand of the market can send all the signals it wants, but there is often an invisible hand picking up a telephone to tell fellow capitalists to keep stuff back, restrict sales and keep prices up. This society offers little security – food or otherwise – except the security to make profit.

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Look down there, and tell me what you see...



Politics involves, among other things, the art of retrofitting analyses onto past events which were incomprehensible to most people at the time. On the occasion of the fortieth anniversary of the iconic May '68 student protests in Paris the media will be full of articles, potted histories, personal accounts and think-pieces, all turning over the events of that tempestuous period and asking where it all ended up and whether it really changed anything.

Is there any sense in which the world really

is different now? Certainly there have been changes, the fall of the Berlin Wall being the most significant. But whereas politics has for the most part gone round in circles, science has leapt off the starting blocks and disappeared down the track. 1968, it is worth recalling, was before humans landed on the moon. It was before the first microprocessor, the first home computer or the first email. It predated superstring theory, buckyballs and nanotubes. It was before Hubble, or Mars landers or photographs of Jupiter, Saturn, and the outer planets. It was before biotech, stem cells or Dolly the sheep. It was from an era, incredibly, when we knew – *knew* - that whatever happened to the dinosaurs would never be discovered. It was before we ever suspected that all the humans on the planet are descended from one female in Africa. In 1968 lodging houses could still display signs reading 'No Blacks, No Pets, No Irish', as racism and sexism formed part of the cheap post-war furniture we sat on as we watched Till Death Us Do Part on black and white TVs, just before turning off the boring news reports about strikes, civil rights, and some vague 'police action' in a place called Vietnam.

What nobody could really have imagined in 1968 was that scientists might one day hold centre-stage in a political debate that would encompass the interests of the whole of humanity. The 1960's was the decade of black emancipation, which black people achieved after a fashion, in that flagrant discrimination is now technically illegal. The 1970's was given over to 'women's liberation', as it was called, something which seemed like a good idea at the time but is arguably not much further forward than it was then. Class politics in the UK seemed to have a little spell in the sun during the 1980's thanks to the Miners' Strike and the Poll Tax hoo-ha, though this was short-lived. After that the Wall came down and with it the last Grand Illusion. Then the Greens came, briefly, to the fore in the public consciousness before it was realised that, worthy though they may be, they didn't possess the collective political wit to punch their way out of an ozone bubble. From then on, and with all sectional interests apparently exhausted leaving some nihilistic post-

modernist torpor, some people started listening to the scientists.

All except America, under Bush, to whom scientists were the very worst kind of extremists, the kind you just can't negotiate with. Elsewhere, and with a decade of freakish droughts, heatwaves, cold snaps, tornadoes, floods and crop failures to reinforce a justifiably growing sense of alarm, the world's captains of capitalism were forced reluctantly to dine at well-stocked table after table in order to put aside their nationalist differences and ask how in blazes they were going to continue to stay in power when climate change was going to cause anarchy and they were all going to be murdered in their beds by starving rioting populations.

Is it good that politicians are listening to scientists? Yes, because scientists are the only people who cannot plausibly be accused of a political agenda, and who therefore have no incentive to lie or distort facts. But politicians are not really listening to everything scientists say, only that portion of it that they can conveniently do something about. And scientists, of course, like charities, have not been accustomed to addressing questions they considered outside their scope, such as global inequality. But as the weight of evidence mounts, that is changing. Increasingly, some scientists are putting the words 'carbon' and 'capitalism' together, if the normally reliable *New Scientist* is anything to go by (April 19), and asking searching questions about the market's ability to do anything in the face of its own blind refusal to face facts and change its behaviour. The facts of world hunger and preventable disease no longer seem outside the purview of scientific examination either, and although capitalism itself is not yet in the dock, its representative governments are increasingly subject to cross-examination by a body of academics and researchers who have the facts at their fingertips and a disinclination to be put off by rhetoric and flim-flam.

Of course, governments don't listen to radicals. Even though Nicholas Stern, the World Bank's former chief economist, calls global warming 'the greatest market failure the world has ever seen', it will be dismissed in the corridors of power as mere panic-mongering by a former minion hungry for publicity. But it doesn't matter. Governments aren't going to create change in any case. The people who really need to listen to scientists are the people. They need to realise that it is no longer a question of race politics, as it might have seemed on the day, in 1968, when they shot Martin Luther King. It's not a question of women's politics, as it might have seemed to some on the publication of *The Female Eunuch* in 1970. Today's battle for the Democratic leadership and the presidency of the USA is, after all, between a rich black man and a rich white woman, and no voter with a modest grasp of realities expects either result to change capitalism in any important way. It's no longer about sectional interests within a given socio-economic framework. Today, it is a question of survival, and the framework itself is being challenged. The real obstacle to change is what it has always been, the same obstacle which blocks any real progress on the impending food or water crisis, on the biofuels controversy, on carbon capping, on the rampant waste of resources, and on global warming. It is class ownership, and the fact that the owning class are raping and destroying the world is increasingly being brought to the headlines by scientists with no axe to grind and no political cards up their sleeve. Workers should have learned by now never to trust a politician. Quite right. But let's hope people start taking more notice of the back-room boffins, because they are asking questions which, until now, only socialists – and a certain German economist - have ever asked. The progress of scientific thinking along the socialist path has been cautious, but it is built on solid empirical foundations which have come a long way in the last forty years. The case for abolishing capitalism, the socialist case, is increasingly being backed by conservative science as well. And we certainly didn't see that coming in 1968.

More Basic Income

Dear Editors

Two quick comments on the article in the March *Socialist Standard*.

1. New research on the Speenhamland system is now arguing that the common interpretations are not very accurate. It is not my field of research so I guide you here, but I think there are some papers on this at recent BI conferences.

2. The fact that conservatives fear that Basic Income gives too much power to workers (as they can opt out) and radicals argue that it undercuts workers shows that we cannot easily conclude what the micro effects will be.

BI was killed in USA in early 1970s because it gave blacks more independence, and that worried white southerners. The negative income tax experiments in USA originally seemed to show disincentives to work, but we know that the early results were distorted, and then it was shut down. I do not see how a BI necessarily affects profit rates, certainly not differential profit rates, except that it might change the composition of demand, which will certainly help some industries and hurt others. But I do not see how one can apply the simple Ricardo-Marx wage-profit trade-off model in a modern economy when income categories are not so clear cut. (Much of the income for the upper classes is labor income and not property income).

Good luck with your work.

C. CLARK (by e-mail)

Dear Editors

In response to Adam Buick's article in the March *Socialist Standard*: I find his predictions unduly pessimistic.

He acknowledges that Basic Income would strengthen workers' power in striking, but fails to acknowledge that while, yes, it would allow some wages to be pushed down, it would conversely result in others being pushed up.

Dangerous, unpleasant, or essentially antisocial or environmentally destructive occupations, which many workers are currently forced to accept, would need to offer higher rewards to keep their labour – or cease business, which for many such businesses, would be a good thing.

While he is correct that most governments are in practice in the pockets of big business, this is not entirely true of all. The post-WW2 Welfare State brought much improvement to workers' conditions – and those of the unemployed; and attention to the source of the power of corporations and banks would give a future, enlightened government the power to

work for the benefit of the environment and community – including the workers and unemployed.

The fundamental source of this power is the right ceded by government to the banks, to create our money supply, by making loans. This power should be ended, and instead government should create and spend into circulation all the money needed by society, and adjust its volume to meet needs without causing undue inflation or the destructive growth of debt which is now threatening the collapse of the whole system. This is something you should seriously look into.

BRIAN LESLIE (by e-mail)

Reply: We should have guessed.

There is some sort of link here between Basic Income and the currency crank ideas of Major Douglas and Social Credit. We haven't got the space to go into this in detail here. Suffice it to say that banks do not have the power to create money by making loans. They can only lend out what has been deposited with them or what they themselves borrow. If this wasn't the case why are they in trouble now? Why don't they simply create more money by making more loans? Your plan to finance Basic Income by recourse to the printing press will shock many of its other advocates. In fact, we imagine them falling over themselves to repudiate it - *Editors*.

Politics

Dear Editors

In the apology published at the bottom right hand side of Page 23 (April *Socialist Standard*), we are told that "The Politics Show" does not exist. Surely

this is the show that was on for many years on BBC1 on Sundays at noon? Indeed it was the show that no-hopers Nick Clegg and Chris Huhne had their infamous bust-up on - if I've remembered that correctly
DAVE AINSWORTH (by email)

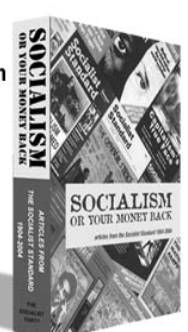
Reply: You're right "The Politics show" did, and still does, exist. We were just trying to suggest that, as far as Andrew Neill was concerned, it probably didn't.

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Iraq: violence without end or purpose?

'Every ten years or so, the United States needs to pick up some small crappy little country and throw it against the wall, just to show the world we mean business. Michael Ledeen' (American Enterprise Institute)

Last month 100 U.S. veterans of the wars in Iraq and Afghanistan held hearings in Washington to describe their experience. Named Winter Soldier after a similar meeting of Vietnam veterans in 1971, the event was ignored by the major corporate media outlets. In contrast to Vietnam, media coverage of these wars is sanitized. Viewers see no scenes of carnage, hear no cries of pain. No publicity accompanies the coffins on their return.

On the internet, however, there is uncensored testimony, including videos and personal blogs (e.g.: ivaw.org, indybay.org, therealnews.com, 5yearstoomany.org, aliveinbaghdad.org). These are the sources on which I draw here.

The recruiter's lament

Let's start with the army recruiter who inveigles the naïve youngster into the inferno. A sinister figure? Or just another victim? After all, he didn't seek transfer to the Recruitment Command. Now he has to make his quota or else endure constant humiliation, weekends in "corrective retraining" and the threat of the sack. So he works himself to exhaustion, answers the kids' questions with lies, and recruits anyone he can, whether or not they meet official standards of health, education or "moral character" (i.e., no criminal record).

Few now join for "patriotic" reasons. Most are bribed with the promise of financial benefits, often payment of college fees. Many foreign residents sign up as a way of becoming U.S. citizens. Over 100 have been awarded citizenship posthumously.

Destroy the enemy

A few weeks of basic training and the new teenage soldier, who has probably never been abroad or even in another region of the U.S., suddenly finds himself in a strange, uncomfortable and disorienting environment. He does not understand the language, nor can he decipher the Arabic script. He has been taught to fear every haji -- the term used to dehumanize Iraqis -- as a possible enemy. He starts to kill and goes on killing, usually with the connivance of his superiors, often with their open encouragement. He kills in blind fear, or on orders, or even out of boredom. Most likely he feels no shame: his mates take souvenir photos of him standing by his "trophies."

It is not necessarily only Iraqis who he kills. When Marines find their forward movement blocked, one blog-

ger tells us, they "start using their training 'to destroy the enemy' on civilians or other Marines." Violence and degradation pervade relations not just between the military and Iraqi civilians but also within the military. Soldiers are abused and humiliated by officers. Rape is commonplace.

To what purpose?

It is hard to see what purpose all this violence can possibly serve. The U.S. government would like to suppress all resistance to the occupation and stabilize a client regime that can be trusted to keep Iraq open to plunder by Western (mainly U.S.) corporations. But the more people are killed the more of their relatives and friends will take up arms to avenge them. Various militias temporarily ally themselves with the occupation forces in order to eliminate their rivals, but later they too will fight the Americans (as well as one another). And the persisting "instability" and destruction of resources make Iraq less appealing to corporate investors.

So the chances are that the U.S. will cut losses and give up, although the process will no doubt drag on for years. Otherwise the fighting will continue until the whole population is dead or has fled the country. In that case there will be no one left to run the puppet government or work for the corporations. Of course, the chore of administration could be dumped on the UN and workers brought in from abroad.

The sanctity of property

Amid the bloody mayhem, measures are still taken to preserve the sanctity of property -- or at least of American property. One soldier tells of being sent with others to guard a military contractor's truck that has broken down on the highway. After hours of warding off hungry Iraqis who want to take the food stored inside, they received the order to destroy the truck together with its contents. On another occasion they were ordered to destroy an ambulance.

When capitalists are forced by circumstances to abandon their property, they evidently prefer to have it destroyed rather than permit its use to satisfy the needs of desperate people. That is the true face of the real enemy -- the class enemy.

The cost to American society

The cost of this futile war to American society can hardly be compared with the damage inflicted on a dev-

astated and shattered Iraq. It is quite substantial nonetheless. As always, the working class pays by far the highest price for their masters' insane adventures.

Over 4,000 U.S. soldiers have been killed in Iraq so far. This may seem quite modest in view of the 50,000 killed in Vietnam. However, the number killed is a misleading indicator of the amount of suffering. Due to medical advances, the ratio of wounded to killed, which was 3:1 in Vietnam, is 7:1 in Iraq. Many soldiers who in previous wars would have died of severe brain injury, loss of limbs or extensive third-degree burns have been "saved" -- not restored to health, but salvaged to live out the rest of their lives in pain and discomfort.

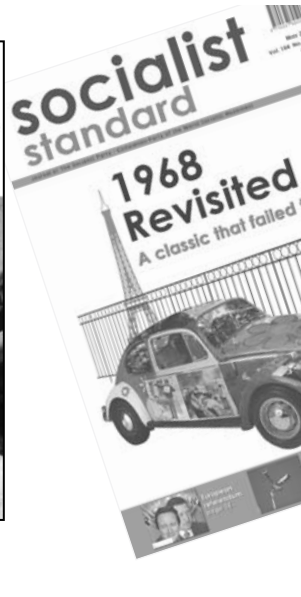
Brutalized and traumatized

Even more numerous are the psychological casualties. Apart from those who serve in office jobs and rarely if ever leave the Green Zone (the specially secured part of Baghdad where the U.S. embassy and military headquarters are located), there can be few who return from Iraq free of psychological trauma -- "post-traumatic stress disorder" as the psychiatrists call it. (Over 100,000 are seeking treatment, but there must be many more who do not seek treatment -- and, indeed, it is doubtful whether any effective treatment exists.)

Many veterans feel unbearable guilt for what they have done, although it is those who sent them who are mainly responsible. So it is not uncommon for a young soldier to return home "safe and sound" only to hang himself the next day. Besides suicide, the veterans are prone to alcoholism and depression, homicide and domestic violence.

And there are so many of these brutalized and traumatized veterans! While "only" about 175,000 troops are deployed at any one time (currently 158,000 in Iraq and 18,000 in Afghanistan), at least 1,400,000 soldiers have fought at some time in one or both of these wars. The damage to the social fabric is therefore enormous -- in the same way that the social fabric in Russia, for instance, has been torn by its wars in Afghanistan and Chechnya. And a new war against Iran is still on the cards. Nor can we exclude a U.S. military intervention against pro-Taliban forces in northwestern Pakistan.

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Good News For Some

"The housing crisis and credit crunch may end the American dream of property ownership for millions of people, but for landlords seeking bargain investment properties the market is looking up. ...Building contractor Chad Blankenbaker seeks foreclosed homes to 'flip' -- buying at well below market value, refitting then selling them at a hefty profit. 'I'm shocked at how low the prices are here,' he said. 'There's so much inventory that no one has to fight to buy anything'. Around the country the housing crisis represents both a business opportunity for landlords and a huge shift in the rental market." (Yahoo News, 17 March)

Heartless Capitalism

"Genzyme, a Massachusetts-based biotechnology company, has long charged more than \$300,000 a year for typical patients on Cerezyme, a drug used to treat Gaucher disease, a rare, sometimes fatal, inherited disorder that can cause enlarged livers and spleens, anemia and bone deterioration. Cerezyme, which is administered intravenously, eases their symptoms. ...The experience with Cerezyme and other biological drugs defies conventional wisdom on drug marketing, which holds that blockbuster drugs -- generating revenues of a billion dollars a year or more -- are generally those that can be sold to vast numbers of people. But Genzyme has made Cerezyme a blockbuster, with sales of \$1.1 billion last year, by charging very high prices for a few thousand patients. That could bode ill for efforts to curb health care costs if, as expected, the future of medicine lies in targeting treatments to limited numbers of patients most likely to benefit from them. The company is essentially exploiting a monopoly position to charge what the market will bear to treat desperate patients with no other option." (New York Times, 23 March)

A Free Society?

"The Stasi secret police may have died with communism but its surveillance methods are still alive at Lidl, the German supermarket chain. George Orwell's Big Brother, it seems, stalks the aisles between the cornflakes and the canned dog food. Detectives hired by Lidl - which has more than 7,000 stores worldwide, including 450 in Britain - have been monitoring romance at the cash till, visits to the lavatory and the money problems of shelf-stackers. Several hundred pages of surveillance have been passed on to Stern magazine, causing outrage among unions and data protection officials." (Times, 27 March)

Food For Thought

"Five years after the United States invaded Iraq, plenty of people believe that the war was waged chiefly to secure U.S. petroleum supplies and to make Iraq safe -- and lucrative -- for the U.S. oil industry. We may not know the real motivations behind the Iraq war for years, but it remains difficult to distill oil from all the possibilities." (Washington Post, 16 March)

Contact Details

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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, NI8. Corres: 17 Dorset Road, N22 7SL. email: julianvein@blueyonder.co.uk

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MIDLANDS

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

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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

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

EUROPE

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World Socialist Party of Australia.

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

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Victoria B.C. V8X 3X8 Canada. E-mail: SPC@iname.com

World Socialist Party (New Zealand) P.O. Box 1929, Auckland, NI, New Zealand.

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1968 recalled

Nineteen sixty-eight was a year of dramatic political developments – the assassination of Martin Luther King, violent demonstrations against the Vietnam War, uprisings in the black ghettos of America, a month-long General Strike in France, the Russian invasion of Czechoslovakia.

It was also, though not being recalled by the nostalgia department of the BBC, the year when the Labour government of the time was in dead trouble, trying to impose wage restraint, introducing racist legislation to keep out Kenyan Asians, losing by-elections to Scottish and Welsh nationalists. But they still managed to stagger on for a couple more years before being voted out. Even fewer recall that 1968 was the TUC's centenary.

We reprint here, along with some of the covers of the year, what we said on some of these events.

Black Power

“As an insurrectionist slogan, black power is suicidal. Only 15 per cent of the population in the U.S. are black. One needs no great mathematical skill to figure out who would be victorious in a racial war, not to mention the fact that a bottle full of gasoline is a rather inadequate defense against fleets of helicopters and tanks, armed with napalm, poison gas, and fragmentation bombs.

As a revolutionary theory, black power is divisive and self-crippling. Attacks on the “white power structure” mean little unless one understands that the source of its power is not the skin colour of the bureaucrats, but the enormous property values which employ them. We have already mentioned that any part of the working class cannot alone solve problems which stem from their position as wage workers; they must act together with the majority of their class. The concept of black power implies that black workers have basic interests which conflict with those of white workers. Both black power and white prejudice divide the working class against itself, thereby weakening the class and diminishing the power of each of its members. Black power is not a cure for exploitation, but a symptom of the disease.

Nevertheless, it is possible that black power may also be a healthy sign in the American working class movement. The young insurrectionists of Detroit, Newark, Boston, Cincinnati, do belong to the urban working class, and this is the first time since the 1930s that masses of American workers have broken with

“their” government and openly defied it to put them down. Some black power leaders also feel the need for greater support among white workers, and stress their goals of better schools and housing will benefit more white than blacks.

Class consciousness takes a long time to develop. One of the signs of its development

one country to citizens of another but as world socialists to fellow members of the world working class.

We reject frontiers as artificial barriers put up by governments. All men are brothers and the world should be theirs. All men should be social equals with free access to the plenty that could be if only the means of living belonged to a socialist world community. We oppose governments everywhere, all nationalism, racism and religion, all censorship, all wars and preparations for war.

Workers! We support your class struggle for better wages and conditions against the employers and the government. But do not be taken in by the ease with which you have occupied the factories. They allowed you to do this because they know that in time you must give in. Political power is always in the hands of those who control the machinery of government, including the armed forces and

the sadistic CRS. Do not be misled by those who say that universal suffrage is a fraud. Learn from your masters. You too must organise to win political power if you want a new society. Do not let cunning politicians or the discredited Communist Party return to power on your backs. Ignore those who would be your leaders. Rely on your own understanding and organisation. Turn universal suffrage into an instrument of emancipation.

Students! We share your distaste for the indignities and hypocrisies



is a wholesale rejection on the part of workers that a treadmill is their only possible alternative in life. The black powerists, the hippies, and the peace movement suggest that large things are happening in America which the socialist need not regret.”

(“Black Power in the United States”, February).

The General Strike in France

“The following manifesto (for distribution in France) was adopted by the Executive Committee of the Socialist Party of Gt. Britain on 28th May. This is the English translation.

We address you not as citizens of

of the present order. We share your wish for a new society with no exploitation of man by man. But do not underestimate what a task it will be to change society. It will be a hundred times more difficult than changing the government. A democratic world community, based on common ownership with production for use not profit, can only be set up when people want it and are ready to take the steps needed to set it up and keep it going. Democratic political action is the only way to Socialism. There are no short cuts. We must have a majority actively on our side. Do not be misled by student demagogues, those who praise Bakunin, Trotsky, Mao or Che Guevara, who would use you for their own mistaken ends. They think that an elite should use unrest to gain power and then set up a classless society. What dangerous nonsense! Look at state capitalist Russia where a new privileged class rules, with police intimidation and censorship, over an increasingly restless population. Look at state capitalist China where power-hungry bureaucrats cynically manipulate the people in their own sordid squabbles. Learn the lessons of history: elite action leads to elite rule. No Socialism unless by democratic political action, based on socialist understanding.

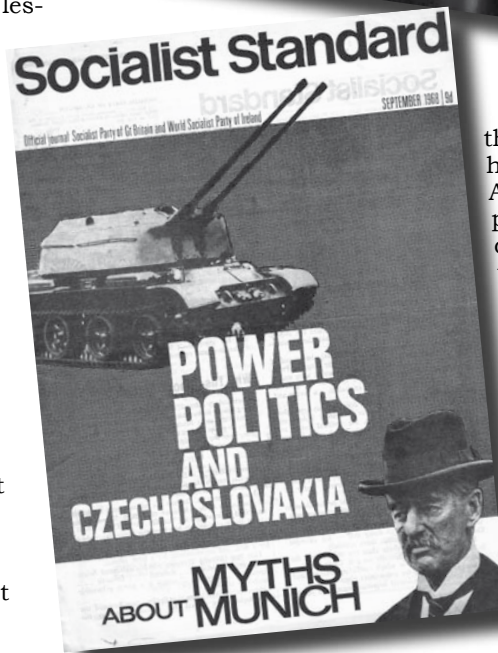
The task you face in France is the same that we face in Britain and our brothers in Germany, Russia, the United States and other countries: to build up a strong world-wide movement for Socialism. What is needed more than anything else in this period of social unrest is a clear, uncompromising statement of the case for a socialist world community..

If you agree, please write to us. We will be glad to help you ensure that the voice of Socialism is again heard in France.

Workers of the world, Unite !"
 ("To the Workers of France", July)

"Millions of viewers of the BBC programme last June on the students will have heard Tariq Ali declare "we believe in the abolition of money". Someone pointed out that "the others looked very doubtful". As well they might. Even Cohn-Bendit has only called for equal wages, presumably to be paid in money. Tariq Ali him-

self probably did not understand the implications of what he said. But he did break a leftwing taboo. Normally they don't like to fly so much in the face of popular prejudice and risk being called "Utopians". No, normally they like to be seen as r-r-revolutionaries boldly declaring they believe in violence!



Whatever the reason for his lapse Tariq Ali did at least provoke some discussion in the papers as to whether or not it was practical to do away with money. Most people ridiculed the idea but one *Guardian* letter-writer pointed out that the absurdity of capital-

ism should be obvious every time you get on a bus and have "to exchange metal discs for a ritual rectangle of paper which an intelligent man was paid to punch". ("What! No Money!", September)

Invasion of Czechoslovakia

"The dictators of state capitalist Russia have sent their armies into Czechoslovakia in a bid to impose a puppet regime which will carry out their orders to crush free speech and restore rule by torture and the secret police. (. . .)

The Socialist Party of Great Britain wishes workers there every

success in establishing the framework within which a genuine socialist movement can grow, namely, political democracy.

The crude power politics of Russia once again expose the myth of Socialism there. Russia is a great capitalist power and behaves like one.

The Socialist Party of Great Britain abhors this latest display of imperialist brutality, all the more vile as it has been committed in the name of socialism, and calls upon the workers the world over to oppose capitalism, east and west, and to unite for Socialism.

August 21st 1968"

("Power Politics and Czechoslovakia", September).

Vietnam demonstrations

"Socialists were out in force to sell genuine Socialist anti-war literature at the pro-Vietcong, and thus pro-war, demonstration held in London on Sunday 27 October, about which the press spread such hair-raising scare stories.

On the Friday evening, when students of the London School of Economics occupied college buildings to turn them into a sanctuary for the demonstrators, Socialists (including two who were LSE students) were able to hold an impromptu meeting and sell a few dozen SOCIALIST STANDARDS. A photograph appeared in Saturday's *Morning Star* in which one of our members selling this journal could clearly be seen.

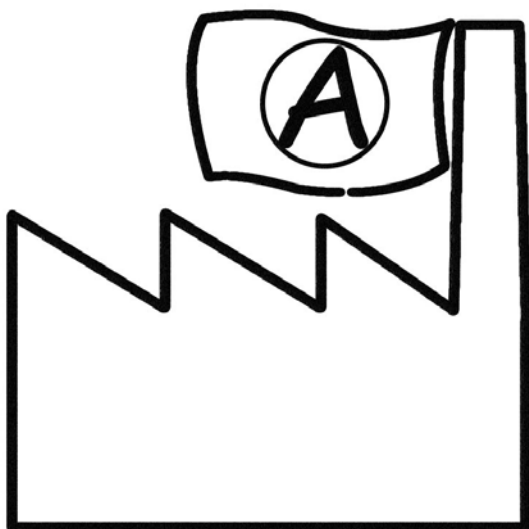
At 12.30 on Sunday, thirty or so Socialists were at Charing Cross to get ready to sell literature to the demonstrators as they marched to Hyde Park (we stayed well away from Grosvenor Square and the hooligans). Of course, as with CND, we did not join the march but sold literature to the marchers and by-standers. The cover of the October SOCIALIST STANDARD can have left no one in doubt as to our position: VIETCONG, NO! MAO, NO! CHE, NO! SOCIALISM, YES! Up to 600 copies were sold in what turned out to be a very successful afternoon's socialist activity."

("Socialists and the "October Revolution", December)



The Revolution that wasn't

What might have happened if, forty years ago, workers in France had taken over the factories and tried to keep production going.



1 1968 saw an outbreak of protest in various parts of the World. Much of it was very violent and the main thrust of this protest was in France and in America, where a longer-term campaign was being pursued. To a lesser extent, again, some of them very violent, demonstrations took place in Germany and in this country.

No doubt there were some links between these various protests but it was also true that the background in each country was very different. For example, in America there was the civil rights movement being organised by blacks, and of course there was no element of this in what was happening here or in France. The civil rights movement was beginning to find its feet in Northern Ireland; here again, the background was different with its strong element of catholic/protestant conflict.

In Europe, many of the main activists were Trotskyists or anarchists. In America the hippy movement was much stronger than it was here. One common feature was the protest against the Vietnam War and this was linked with the opposition to nuclear weapons. So if we are to remember 1968 as a year of world wide protest and demonstrations, we must also acknowledge that these were not the actions of a world-wide coherent movement; these events erupted at the same time as a result of different and widely dispersed elements. In retrospect, perhaps the spontaneity of these events gave them their immediate strength, but the lack of any cohesion was their longer-term weakness.

In some ways, the ideas which

were coming forward were very welcome, especially ideas being produced by the hippy movement which were a reaction to the soul-destroying life of wage slavery with its pursuit of material things. I remember reading a book by Jack Kerouac in which he railed against what he called the 'white furniture' culture. By this he meant that people were selling their human soul in order to acquire refrigerators, washing machines and these sorts of objects on which they mistakenly focused all their hopes for happiness.

Well, of course you could only agree with this outlook, and it was very welcome to see these ideas being popularised. What was slightly irritating was that these ideas were being put forward as if they were some sort of revelation. In fact socialists had been talking about this for years. Since the 1950s we'd had access to the *Economic and Philosophic Manuscripts of Marx*, and we'd been talking about the alienation of man in practical contexts. We had been talking about the "sterility of the consumer culture" for years and arguing that individual self-realisation could only be achieved on a basis of common ownership, and where you had people working in direct cooperation with each other to provide for each other's needs.

The trouble was that Jack Kerouac hadn't been reading the *Economic Manuscripts* of 1844, he had been reading some ancient Buddhist manuscripts. So, this very useful development of ideas was diverted into some regurgitated version of Buddhism, flower power and the drugs scene.

Socialists like myself had been active for years throughout the 1950s and what we had suffered from was a most appalling complacency. We couldn't get a meeting or a debate; there was almost no interest in politics; the social aspirations of people seemed to have become totally trivialised. People only seemed to be concerned about buying a television or a second hand car on hire purchase.

So when there were various stirrings, first perhaps with CND, events in Hungary and the Suez crisis, we were able to feel that people did care after all. Of course as these were able to gather momentum during the 1960s this brought about a very

changed situation and it was most welcome. Against this it has to be said that there was disappointment as we say this healthy indignation being diverted into lines of action which we argued would be unproductive.

One of the ideas being pursued by many activists in the 1960s was the aim of workers' control. A lot of people still believe that we can achieve an advance towards socialism as a result of workers taking over their places of work, the factories etc., bringing them under their control and operating them in their own interests.

It's quite true that in 1968, in France, at one point, over 9 million workers were on strike: industry was at a standstill and hundreds of factories had been occupied by strikers. Some people thought that industry in France was on the brink of being taken over by the workers. In fact this was not the case. For one thing, although it was in the minds of Trotskyist activists, it was not in the minds of the trade unions in France to establish a system of workers' control. They took over the factories, and others went on strike, so as to press their demands for wage increases and other improvements in conditions. When these demands were largely met, they resumed normal working.

Another reason why industry in France was not on the brink of being taken over by the workers is of course that the forces of the state would never have allowed them to do it. There was the usual heroic talk about smashing the state, but the workers had no intention of smashing the state and even if they did have that intention they would have failed.

It has to be said that in all the violent confrontations which took place between demonstrators and the various police groups, even in France, the force of the state was only used minimally. You had the very vicious CIS—the special riot police—but the armed forces in their tens of thousands, with all the firepower at their disposal, were always in reserve and not brought into use.

At the time, the activists said that the reason for the failure had been the failure of the mass of workers to support the objective of workers' control. So they came out of it still believing that their theory of revolution had not been tested - many people still believing in the theory today.

So its useful to consider what would have happened if, for example, the Renault car factories had been

taken over by the workers who worked in them.

What we assume here is a situation where theoretically, the wage labour/capital relationship operating in the Renault car company would have altered and become a kind of workers' cooperative, with all the affairs of this car production unit under the control of the workers.

There is of course no question here that this has happened as a result of a decision by a socialist majority to capture political control and enact the common ownership of all means of production. There has been no social decision to abolish the market and to establish direct cooperation between people in producing goods directly for the needs of the community, with no exchange of any kind and therefore no use of money. What we have assumed, in line with the objectives of the main activists in France in 1968, is that workers have succeeded in taking over the Renault Car Company together with many other factories.

The present Prime Minister of France (Michel Rocard) was a left wing activist in 1968 and a little later on he said this about workers' control:

"We must aim at self management, that is, the management of factories by the workers themselves... Workers control can only be imposed in strikes where the balance of forces is overwhelming, that is to say, where the unity of the workers is strongest."

So we've assumed that these workers have successfully confronted the forces of the state and imposed this workers control, which is "the management of the factories by the workers themselves."

The market would still be operating and these workers would be selling the cars which they put together in the factories and the sale of these cars would give them an income which would enable them to live, to support their families, to buy the food, to pay the rent and the mortgage and all the other costs involved in living in a market system. They would have a lot of other costs as well. Renault cars are not simply made in Renault car factories. In fact, in the main, these factories are only the places of final assembly. Of all the labour required for the production of a Renault are only a small proportion is supplied in these factories where the final assembly takes place. If the car industry in France is anything like British car production, Renault would have hundreds of sub-contractors supplying components.

You only have to think of the materials in cars—various metals such as copper, aluminium and steel, glass, paints, plastics, rubber, to realise that the different kinds of labour required for the production of a car are dispersed throughout a world wide network of productive links. You've got copper mining in Zambia, the mining of iron ore in Australia, the plastics

pre-suppose the world oil industry, the paints, the world chemical industry, rubber from Malaysia, allocations of energy and world transport. Car production is social production and by that we mean production organised on a world scale.

What this means for these workers in France who have taken over factories where final assembly takes place is that they are the sellers of cars but they also constitute a massive market, a market for all the worked-up materials and components which they have to buy in.

These workers will be in competition with other car manufacturers—Fiat in Italy—Volkswagen in Germany—Nissan in Japan—Volvo in Sweden—General Motors in America—Ford and BMC in Britain. So in order to maintain their livelihoods they will be in intense competition with these other companies, trying to sell as many cars as possible and trying to capture a bigger share of the market at the expense of the capitalists and workers in other sections of the world car industry.

They would have to maintain rigorous efficiency in line with the efficiency of these other companies. In any situation where their costs were disproportionately high resulting in relatively higher prices they would lose sales and there would have to economise and perhaps some workers would have to go. Where there was overproduction in relation to market capacity again there would have to be cutbacks. They could not go on incurring the accumulating costs of producing cars which they could not sell. It would then be a matter of them democratically deciding which of them is going to be out of a job.

However, for the moment we are not concerned with the realistic possibilities, we're assuming that these workers find themselves in a situation where the market for cars goes on expanding. This being the case they will face the problem of financing expanded production so as to take advantage of it. Perhaps they will raise the capital on the share market. This of course is impossible. No bank or any investor would dream of investing in an outfit which had seized the capital funds of a company.

You can of course see where all this is heading. In the impossible circumstances where these workers have been able to expropriate a company like Renault—and succeeded in managing for their own gain as distinct from the previous owners—they would be responding to the same economic pressures faced by the previous capitalist board of directors. They would be acting as the functionaries of capital; different personalities maybe but exactly the same economic role.

What we've actually been describing is a set of mechanisms by which the capitalist structure of production maintains itself as an exclusive capi-

talist structure. Goods are produced throughout a world wide division of labour organised in different production units. The process through which this structure maintains itself as an exclusively capitalist structure is a process of constant economic selection. Whether or not a particular production unit can continue to exist as part of the structure is constantly tested and is determined by the economic viability of the unit.

In every day terms this is matter of income against expenditure. If income exceeds expenditure then the unit can continue to form a part of the whole structure. Conversely, if expenditure exceeds income then it must disappear from the scene.

This process of economic selection may be temporarily upset by the traumas of political or industrial upheaval. In a period of chaos, you may get a change of the people in power. But when production and distribution re-commences, as sooner or later it must, the economic forces of capitalism are immediately brought back into play, so that daily book keeping, cost effectiveness, and the irresistible pressure to sustain income over expenditure again act to maintain production as a capitalist structure.

The particular ways in which a production unit is organised makes no difference whatsoever to this process of economic selection. It can be the usual capitalist company, it can be a so-called workers cooperative under workers' control. It can be a monastery producing herbs or honey for sale.

The decision-making procedures can be authoritarian or democratic, it makes no difference to the fact that whatever the production unit is, in order to exist it must be economically viable. This is the process of economic selection by which the present structure of production is maintained as an exclusively capitalist structure.

The idea that workers cooperatives under workers' control is socialism or is in any way a step towards socialism is an illusion.

Bringing the subject back to 1968 when these arguments were much more in the air of course members of the Socialist Party were encouraged by the fact that a lot of action was taking place. But at the same time there was great disappointment that all this protest was being diverted into this useless activity based on the objective of workers' control.

The only practical way to get a change from capitalism to socialism is to have a majority of socialists acting democratically to capture control of the state and then from this position of control, to remove the capitalist features from social production through the enactment of common ownership. **PIETER LAWRENCE** (from a talk given in May 1988)

The intoxicating US housing boom has come to an end. Now the economic hangover has arrived.

Bubble Troubles

With the collapse of the housing boom in the US what is likely, at the very least, is a prolonged crisis of the credit system. And as credit greases the wheels of capitalism this is no laughing matter for the capitalist class.

The Federal Reserve has been doing its best to ease the pain—the pain for the investment banks, that is. Barkeeper Ben Bernanke announced on March 11 that the Fed intends to generously fund the banks “rehab,” loaning them the incredible sum of \$200 billion in return for the tainted “mortgage-backed securities” as collateral. This is very much like a doctor who prescribes a little hair of the dog to an alcoholic as a “cure” for a hangover. At best, such bailouts will probably only buy a bit of time.

And not very much time at that—judging from the recent string of collapses in recent weeks. On March 7, the investment fund Carlyle Group Corp. announced that it was unable to meet \$37 million in margin calls from its lenders and a few days later it was reported that the 85-year-old investment bank Bear Stearns, which suffered huge hedge fund and mortgage-related losses, is being bought out by JPMorgan Chase in a fire sale, with money loaned by the Fed.

Far from calming the financial waters, the actions of the Fed have drawn attention to the severity of the crisis and also accelerated the decline of the dollar. Somehow, the system as a whole—the once inebriated economic body and its battered financial organs—will have to expel the vast quantities of toxic loans that are clogging it up. When other countries face this dilemma, the US has always the first to prescribe a bit of shock therapy, making use of capitalism’s natural function of regurgitation. For some reason or another, though, the US policy makers are sentimental when it comes to their own venerable financial institutions.

The US government that hasn’t lifted a finger to assist the massive number of workers who face foreclosure, but has acted quickly to pump money into the accounts of those who have made a good living picking the pockets of those workers. The direct impact of the crisis involving “subprime loans” (once more accurately referred to as “predatory loans”) has already led to hundreds of thousands of foreclosures, with the overall number of foreclosures up 79 percent in 2007 alone. Clearly, the US policy makers have every intention of shifting as much of the pain from the crisis onto the working class as is economically and politically possible.

Empty wealth

Some cold comfort to workers from the crisis, however, is that it rips great holes in some of the smug arguments that economists and politicians have tried to pass off as “common sense” (and which seemed plausible enough during the long speculative boom in the US that basically stretches all the way from the mid-1990s until recent months). For instance, it is becoming increasingly self-evident that the prices of many “commodities” lack any real basis and are thus “fictitious” prices to a large extent.

There is an important distinction, in other words, between the products of labour, which are the basis of any society and happen to take the form of commodities in a capitalist society, and the wide variety of things that have a price and thus take the commodity-form but are not the product of labour and thus lack intrinsic value. When capitalism is humming along, no one is very concerned with whether what is being bought and sold has intrinsic value or not, so long as it can be sold on the market. Thus, “mortgage-backed securities”—to take one example—were as good as gold for many years.

Now that the housing bubble has collapsed, however, such securities are being shunned, as it is clear that a great number of borrowers will be unable to meet their mortgage payments. The “value” (=price) of this commodity has plummeted, wiping out a vast amount of wealth that existed

on paper, while leaving a hard lump of debt behind.

It is hardly surprising that people flock to gold during a crisis. That behaviour is not motivated by a human love of shiny metal objects. Rather, gold has served as the “general equivalent” or money historically precisely because gold has intrinsic value as a product of labour and that that value exists in a form that is inherently more durable and divisible than most other products of labour.

In short, a crisis reveals the crucial distinction between commodities in the fundamental sense (as the capitalistic form of products of labour) and commodities in the purely formal sense (as anything with a price). Call it the revenge of the labour theory of value.

There is some irony in the collapse of the housing bubble revealing the distinction between intrinsic value and mere price. Because one of the initial attractions of the housing market to investors, after their dizzying experience with stock-market gambling, was that it appeared to be *terra firma*. After a vast amount of paper wealth was wiped out of 401k (retirement) plans and mutual funds circa 2000, it seemed that real-estate was a secure investment in a tangible asset.

But to describe a house as having intrinsic value turns out to only be a half-truth. Sure, the house itself has intrinsic value, like any other commodity in the fundamental sense just described, according to the socially necessary labour expended to produce it. In other words, the house’s value (as a structure) stems from the value of the building materials used and the amount of labour expended to assemble them.

However, in addition to the house itself, the price of the land upon which it is built represents a large part of the overall price—and the bulk of the price in the case of large urban areas. And that land has no intrinsic economic value (apart from whatever labour was necessary to clear trees or previous buildings out of the way so that construction could commence), only a price determined, since its supply is fixed, by the paying demand for it. In this sense, real-estate prices are a reflection—more than anything else—of the purchasing ability of the prospective buyers. So it is no surprise that those prices rose rapidly along with the increasing abundance of cheap credit.





Buyers in each particular housing market tried to convince themselves why the price of their own house would never fall (whether because of the desirability of their neighbourhood, the solid construction of the house itself, the strong local economy, or some other reason), but in fact there is no intrinsic value around which the price must gravitate, meaning that there is much room for the price to rise, or indeed, fall.

Profit-creation

Another central (but often ignored) fact which a crisis helps shed some light on is the origin of profit. During a speculative bubble, when mutual funds or housing prices are steadily rising, profit seems to arise magically from the very act of investment. No one is too bothered to ponder how this feat of alchemy is achieved. When the bubble eventually bursts, it may dawn on some that the actual *creation* of profit—rather than the mere transfer of money from one wallet to another—involves more than simply letting go of funds and then waiting for an even bigger sum to return in boomerang-like fashion.

And if the person bothers to investigate the matter further, it would become clear that profit is generated in the production process. It is there that surplus-value is generated as the difference between the value of the labour-power the workers sell to capitalists in return for their wages and the value those workers add to the commodities produced through their actual labour. In contrast, much of the profit that appeared to be created during the boom was in fact an expression of the expansion of debt.

The housing boom, like the stock market boom that preceded it, was praised as a way for workers to move up the social ladder, and it seemed that there was enough profit





to go around to swell the ranks of the capitalist class. From today's perspective, however, we see that workers are left in a worse situation than ever following the speculative boom, facing foreclosures and wiped out retirement funds. The only upward mobility in the end was for the money itself, which was coaxed out of the pockets of workers to pad the salaries of the much heralded "financial wizards."

Granted, in any speculative bubble the expansion of consumption goes hand-in-hand with an increase in productive activity, but it is certainly not the case that the enormous gains made through speculation in certain activities reflect or correspond to an expansion in surplus-value created via production. Rather, the increase in the "value" (=price) of real-estate, stocks, or whatever the mania is centred on is fed by the speculation itself. Prices go up as more money is thrown at the object of speculation, and with those rising prices even more money is invested. But there is nothing to sustain the high prices once the speculative demand dries up. This is quite different from an increase of investment in productive activity that results in products containing surplus-value that are sold to realize a profit.

A comparison to eating, rather than the earlier hangover analogy, may highlight the distinction between mere speculation and investment in production. Simply put, speculation is not all that different from a person who consumes a large amount of food without performing any physical activity whatsoever. The result, unless the person enjoys a remarkable metabolism, is weight gain.

During the housing boom, the economy swallowed a tremendous amount of credit that for the most part was not directed towards productive activity, and this inevitably led to a flabby result. The speculative feast was good fun for those who partook of it, but now the heavy debt burden is making it hard for the capitalist economy to function, with the credit crisis also hindering investment in productive activities.

But it is not as if a "muscle-bound" capitalism is a lovely state of affairs either. As mentioned earlier, the surplus-value that arises from



productive activity is nothing more than unpaid labour extracted from the working class. So there is no profit without exploitation.

A "fundamentally strong" capitalism (as it is called by those critical of finance capital but enamoured by capitalism itself) may conjure up an image of a healthy organism, but really it is more appropriate to picture a young Arnold Schwarzenegger prancing around the stage of a Mr. Universe contest clad only in his over-inflated muscles and surreal suntan. It is not true health or strength, but just the appearance of it. And just as Arnie worked out incessantly in the pursuit of muscles for their own sake, without any concern for their actual use, the productive activity under capitalism is only a means of building bigger and bigger profits, rather than being primarily a way to produce material wealth to meet the needs of society's members in accordance with their collective and democratic will. There are all sorts of side-effects from the mad pursuit of profit, both in the short- and long-term, similar to how Mr. Schwarzenegger's steroid-fuelled bodybuilding in his younger years resulted in open-heart surgery by the time his muscles had sagged with age.

Workers cannot be indifferent to a crisis, no matter how much we are disgusted by the predictable pendulum swing between "boom" and "bust" (and the sudden mood swings it causes among our capitalist rulers), because our lives can be directly influenced by today's financial turbulence. But at the same time, we have no interest whatsoever in thinking up ways to put capitalism "back on track" or make it "healthy" again. Even when the system is in tip-top shape it works directly counter to the interests of workers.

The crisis will not miraculously or mechanically turn every worker into a socialist, as some pseudo-Marxists fervently hope, but it does at least create a situation where socialists may find workers more willing to consider an alternative to capitalism. It is up to us, as socialists, to present that alternative in a convincing way based on our understanding of the essential nature and limitations of the capitalist system.

MICHAEL SCHAUERTE



Cooking the Books 1

Are prices real?

"Retail prices fall 50% in real terms since 1970s" headlined the *Times* (31 March) reporting on a recent survey:

"According to Pricewaterhouse-Coopers (PwC), the accountants, the prices of everything from a kettle to a camera have tumbled by nearly 50 per cent since the early 1970s. At Argos, prices have fallen 47 per cent in real terms since Richard Tompkins, the founder of the Green Shield Stamps empire, launched the chain in 1973 with a 250-page catalogue. A fan heater in the original catalogue priced at £7.60 would cost £51 in today's money, given the impact of inflation over the past 35 years. A similar product retails today at £12.99."

To say that a fan heater, priced at £7.60 in 1973 and selling at £12.99 today, has gone down in price seems counter-intuitive. The explanation lies in the introduction of the notion of a price "in real terms", or a "real price", as a way of comparing prices at two different dates ignoring any depreciation (or appreciation) of the currency in the meantime.

To say that a fan heater priced at £7.60 in 1973 would sell at £51 in "today's money" is to say that the currency has depreciated by 85 percent. That the heater is in fact priced today at £12.99 shows that "in real terms" its price has fallen by about 75 percent. In 1973 money its selling price would have been £1.90. It is in this sense that, in real terms, the price of the heater has fallen. Marx would say that this reflects a fall in its labour-time value.

If there was a stable currency then you would in fact expect prices to fall as productivity – the time taken to produce an article from start to finish – rises, meaning that articles have less value, less socially necessary labour-time incorporated in them. Pro-

ductivity does tend to increase slowly from year to year due to technical advances. But there is not a stable currency, and that complicates comparisons.

Although the currency inflation and consequent depreciation is no longer in the double-digits it was in the 1970s, it is still government policy that the currency should depreciate by 2 percent a year. They don't express it this way, but put it the other way round by setting the Bank of England a target that the general price level should not rise by more than 2 percent a year. Which amounts to the same thing as this is in effect to allow the Bank to inflate the currency by that amount. If the price level rises by 2 percent this means that the purchasing power of the "pound in your pocket" decreases by that amount.

Since wages and salaries are also a price – of people's working skills, or what Marx called "labour power" – with depreciation of the currency they too go up continuously if slowly, with a little help from trade unions. Marx employed the concept of "real wages" but in a slightly different sense, though still as a means of discounting changes in money prices. He defined them as "the sum of commodities which is actually given in exchange for the wages" (*Wage Labour and Capital*) and as "wages as measured by the quantity of commodities they can buy" (*Value, Price and Profit*).

He gave the example of the prices of the articles workers buy falling while money wages remained the same; in which case, despite money wages remaining unchanged, real wages would have increased. In these days of permanent, if gradual, inflation if the prices of the articles workers buy increase more than money-wages (as has happened in some years), even though money wages have increased real wages have fallen. On the other hand, if money wages rise more than prices (as seems to be the slow, long run trend in this part of the world) then real wages increase.

Who wants a referendum on Europe?

The argument about a referendum over the EU Treaty is not about democracy, but about politicians trying to control decision-making.

Some things seem to never change. Alexander Hamilton, some two hundred plus years ago, was a luminary of the American revolution. He espoused a creed of natural aristocracy – rule by the best among us (including, naturally, himself) for life. In the presidential elections of 1800 his faction faced defeat at the hands of the democratic forces led by Thomas Jefferson. Back then, the votes for the presidency in New York State were exercised by the state legislature. When the legislature fell into the hands of the democratic party, Hamilton proposed that the rump aristocracy party enact legislation in the dying hours of their term, to put the votes for the presidency into the hands of the electorate at large. That is, one of the true believers in authority and elite rule, one of the verymost opponents of democracy, saw his very last chance in an appeal to the people against the leaders of the opposing faction.

Today, we see a similar story. The Conservative Party in Britain, opposed to the Lisbon Treaty, are demanding a referendum on the former “constitution.” Obviously, they choose to call for this because they are sure that Europe is unpopular, so any referendum would be certainly lost. That is that they are being fundamentally dishonest. In order to avoid exposing splits in their own party, they campaign for a referendum, rather than simply stating out loud that they oppose the treaty itself.

One extraordinary part of this call is the insistence, loudly declaimed by Tory nerd

William Hague, that they are simply trying to live up to their manifesto commitment – and why won't Labour do likewise? This, from the party of Burke, the propounder of the theory that parliamentarians are not delegates, that they are not bound by any election promise, and can (and indeed should) vote as they see fit for the duration of their term. “Your representative owes you,” he famously said “not only his industry but also his judgement; and he betrays, instead of serving you, if he sacrifices it to your opinion”. This is the ideology of the party of natural rulers. Perhaps this overthrowing of their own bedrock ideology is what they meant by the Conservative revolution. Now, after having failed to get their democratic referendum in the House of Commons they'll doubtless use their, er, unelected members of the House of Lords to try and get their way.

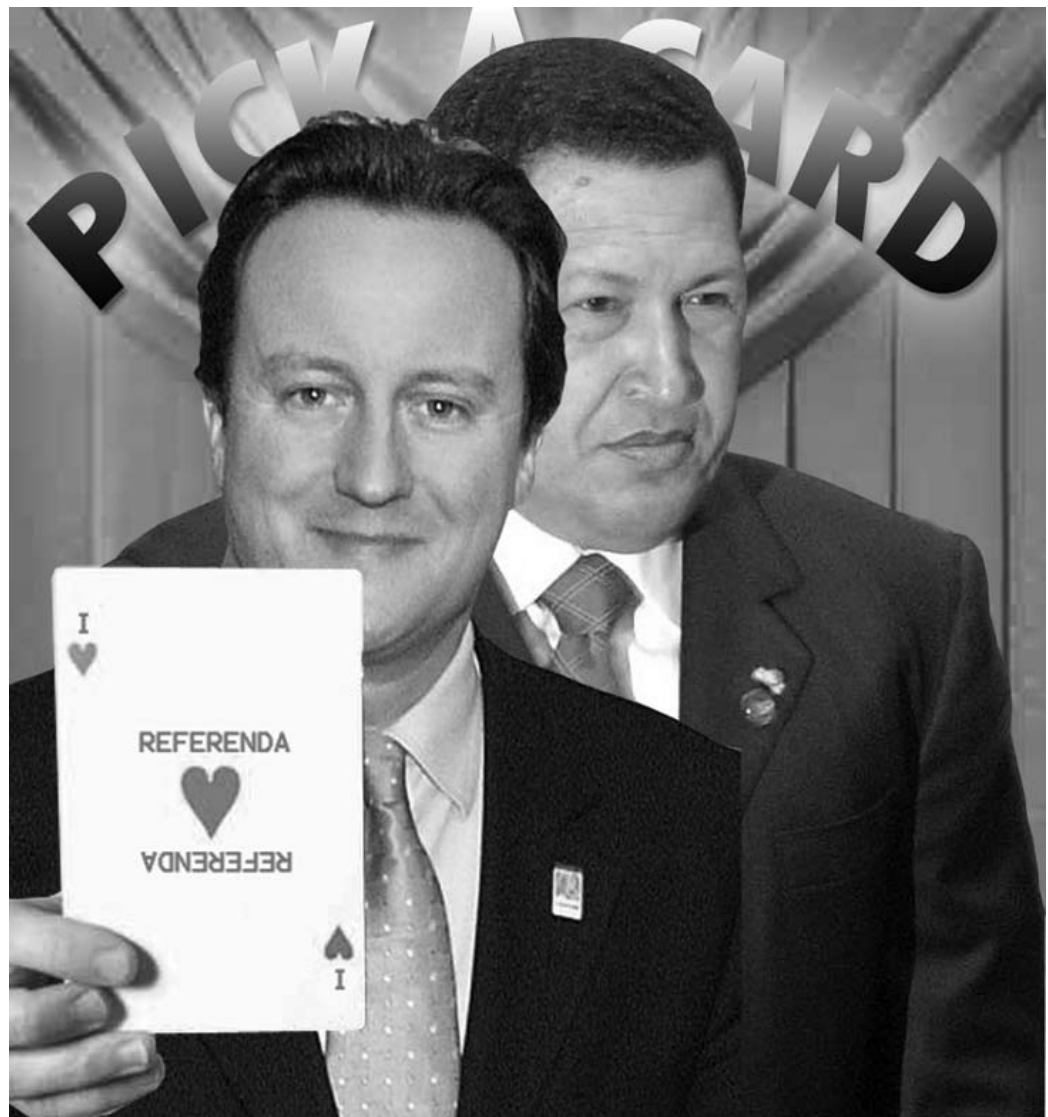
No principle is inviolate, none that cannot be overthrown to the first among them all: being in power is an end in itself. Of course, the very same applies to Labour. They only do not want a referendum because they know that they would lose it. Jack Straw bleats how we are a “parliamentary democracy” we don't do things via referendums (as if it doesn't lie in his hands to change that fact), and besides,

the issues are too complex. This from a member of the party that took Britain into the EU after a referendum, and that has had referendums on local mayors, Scottish devolution, Welsh devolution, London devolution, North Eastern devolution, council housing and schools since it took office 11 years ago. The self-same party that is now planning a potential referendum in Wales on further devolved power.

Wasn't it, Jack, the self-same party that promised a referendum on the constitution in the first place? That shamelessly forgot that “we live in a parliamentary democracy” and that the “issues are too complex” simply to get itself out of a temporary political hole? Of course it was. Obviously, Jack, you'd say that this isn't the constitution now – and certainly the fripperies and fopperies of a constitution have been taken away, and Britain has secured its opt-outs.

Ah, yes, those opt-outs. Enough opt-outs that it barely looks like Britain has opted in to anything. The party of so-called Labour opting out of increasing workers' rights. They've opted out of the Charter of Fundamental rights (it won't be enforceable in British law) despite being the proud trumpeters of enshrining the Human Rights Act into British law. They've also opted out of majority voting on police and justice measures. So many opt-outs, indeed, that failure to secure the treaty itself will leave other European government heads wondering whether Britain should really be in the club at all.

The treaty is a deal hammered out in the old fashioned semi-feudal way of ministers meeting in darkened rooms and fudging a solution between each other in the European Council – very like the way in which Hamilton and his mates (the so called Founding Fathers) stitched up the US constitution to keep the filthy paws of



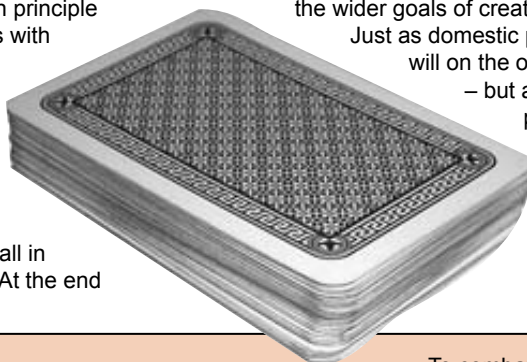
the electorate as far from power as they could.

Albeit that the Lisbon treaty does actually make the European Council a fully fledged body of the EU, rather than just an informal meeting of heads of government. Another EU body, the Council of Ministers, which actually decides EU laws, already makes its minutes public and the directly elected Parliament has at least once sacked the commission. The EU is democratising, at a snail's pace. Part of the drive for this is precisely that wheeler dealing in darkened rooms is perceived to be a hindrance to its development. The veto is a road block to decision making and the interests of the most powerful blocs within the EU (principally France and Germany). In fact, the treaty extends majority voting, i.e. removes the vote, to a wide variety of matters.

There are three fundamental questions that can be asked of any decision making process. (1) Who initiates proposals and policies? (2) Who deliberates on and amends them and gets to decide the detail? (3) Who gets to approve them and has the final say? We can say that the more people are involved, or potentially involved, at any given stage, the more democratic the process is. In the case of international treaties like Lisbon, or referendums on any subject a government may choose, the answers to 1 and 2 will be ministers and parliamentarians (and, so long as they have a majority, that means in practice the parliamentarians of the ruling party).

The point of difference between Labour and the Tories, then, is solely on the fruits of the third stage, a yes/no decision on a completed and formulated proposition with no chance of changing it. This, clearly, isn't a debate on principle between two differently democratic parties with one giving more power to the people than the other. It is a pallid dance between pretenders to the crown who will be buggered if they surrender their capacity to dictate events willingly.

What differentiates them from someone like Hugo Chavez – the current darling of the Romantic lefty who likes to fall in love with far-flung revolutionary utopias? At the end



of last year, his referendum on constitutional reform was defeated. It contained a raft of proposals, a mishmash of changes to property and electoral law. Cunningly, it also included a provision to remove the two-term limit for the president that, er, he introduced when he originally wrote that constitution. Such bundling is a trick beloved of those who have to submit their policy to someone else at stage 3.

Of course, despite those lefties, who will harp on that Chavez has won 7 elections in 9 years and is the paragon of democratic revolution, Chavez is perfectly upfront about his political goals. He takes as his hero Simon Bolivar, who was, some two hundred years ago, a luminary of the South American revolution. He espoused a creed of natural aristocracy – rule by the best among us (including, naturally, himself) for life. He was fond of creating constitutions too.

It would probably come as a surprise to the followers of Hugo Chavez and David Cameron just how much their idols have in common – and they would probably deny it to the bitter death in blood flecked phlegm. The fact is, though, that the rules of the game for the rulers are the same by very dint of coming to power and trying to shape things to their individual will – like, as Chavez has it, an artist painting a picture, seeing the parts into a whole. To rule you must initiate policy, and control the detail. If someone else's consent is required the skills of the card sharp are needed to force the right choice on your mark.

That is the nub of this dispute over Europe. It is not an argument about democracy, but a turf battle between competing rulers protecting their own turfs, their zones of influence, versus the wider goals of creating a functional Europe wide market area.

Just as domestic politics is about one faction imposing their will on the other, so, increasingly, is European politics – but at the cost of eroding domestic political power. Both Labour and Tory are walking a fine line between trying to be part of the winning faction in Europe and staying in charge at home. Their motto throughout continues to be: "All power to myself."

PIK SMEET

Anyone for coal?

Of the fossil fuels the worst in terms of emitting carbon dioxide into the atmosphere is coal. So, why, if something has to be done to reduce CO₂ emissions (as most scientists in the field advise), are plans afoot to reopen coal mines in Britain?

An article "Old King Coal makes comeback in Britain" (18 March) on uk.reuters.com reported:

"Coal mining is making a comeback in Britain as the quest for secure energy supplies chips away at environmental objections and record high prices for the raw material make pits economically viable".

As the price rises it becomes profitable to exploit more difficult coal seams despite it costing more to work them. Already "two moth-balled deep mines reopened recently, two more were under review and a third working mine was recruiting experienced staff to develop a new seam".

Capitalist firms are influenced in their choice of fuel by a short-term consideration such as the going market price. Governments can take a longer view, but not that long, a couple of decades at most. In Britain energy policy has been driven by changes in the relative prices of coal, oil and gas. Up to the 1960s coal was massively predominant. Then, when oil became relatively cheaper, the 1964 Wilson Labour government decided to run down the coal industry. Following the Arab-Israel War in 1973, which led to the closing of the Suez Canal, the price of oil soared and Tony Benn, as the Minister of Technology at the time, was able to appear as the miners' friend by keeping open pits previously earmarked for closure. It also put the NUM in a position to win two national strikes.

From the 1980s cheap gas from the North Sea became available. The Thatcher government decided to practically close down the coal industry, taking on and breaking the NUM in the process. Even so, there is still a small coal industry in Britain producing 17 million tonnes a year: a further 43 million tonnes are imported.

To combat global warming the government wants to reduce reliance on burning fossil fuels and increase the use of renewable sources of electricity such as wind power. But renewable energy will only take off if it becomes cheaper than fossil fuels (and nuclear power). Currently it isn't.

The theory is that as oil runs out its price will rise, making renewable sources relatively cheaper. The trouble is that it also makes it profitable to exploit previously marginal sources of oil such as tar sands and oil under the deep sea. And it makes it profitable to exploit marginal sources of coal.

Even if oil does run out, coal won't. According to the Reuters report, "Experts tend to agree that, with estimated global reserves for 300 years, coal is not going to go away because it is relatively cheap to extract, to burn and readily available despite the dilemma that it is also the most polluting fuel".

Actually, it's more readily available in some places than others - in the US and China for instance - and they are not likely to give up the competitive advantage this access to a cheap source of energy gives them. Which is why they have resisted international arrangements such as Kyoto which seek to make coal-burning relatively more expensive. But even coal-importing countries like Britain are not going to refuse to use coal if it's cheaper, as can be seen by the government's recent decision to authorise the building of a new coal-fired power station.

To do otherwise would be commercial madness. Energy enters into the cost of most products, so to choose a more expensive source would be to make your country's goods less competitive on world markets.

That no government will do. Under capitalism renewable sources will only be adopted on a wide scale when the price becomes right. But how long will that take? In the meantime coal will continue to be burned.



How they decided to have (and keep) the Bomb

We look at what a collection of declassified official documents reveal about the nuclear weapons policy of successive British governments, Labour and Tory

Peter Hennessy's *Cabinets and the Bomb* (published for the British Academy by Oxford University Press)

is a documentary study concerning the decisions made by various Labour and Conservative governments regarding the development of atomic and thermonuclear power - er - making

bombs. It comprises a series of declassified Cabinet and Cabinet Committee papers, minutes and letters covering the period from 1940 to 2007.

Even for close students of such matters, there are many fascinating extra nuggets of information to be discovered within these pages and numerous valuable insights into the devious nature of power politics. Also, perhaps surprisingly for some, a document (circulated by Sir Burke Trend, Harold Wilson's Cabinet Secretary) which summarises, with great lucidity, the case respectively for retention; possible replacement or improvement; or complete abandonment of a nuclear weapons policy.

Less surprisingly, the arguments in favour of abandonment (or non-development initially) – at least at Cabinet level – were based solely on doubts about economic viability, by Sir Stafford Cripps and Hugh Dalton (both Chancellors of the Exchequer under Clement Attlee) and later, during Harold Wilson's premiership, by the Treasury and DEA. Ethical considerations played very little part – realistically, none at all – in these deliberations. By the time a decision was required to be made over the hydrogen bomb it was conveniently, and alas correctly, concluded that in terms of ethics there was little or no difference between the A or H bombs and that, after all, the A bomb already existed. Indeed, the point was advanced that the hydrogen bomb could be made “cleaner”.

As the author himself puts it: “This is a book of explanation rather than advocacy, it is for the reader to judge, rather than for the author to declare, which factors trumped what at various times in private debates in the Cabinet Room or Chiefs of Staff suite”. Peter Hennessy, however, does intersperse the rather carefully formulated documents with brief but salient observations. These skilfully succeed in expertly highlighting some of the more important points that might otherwise pass unnoticed in the rather dry language favoured by civil servants. His restrained but informative and engaging commentary provides exactly what is required by the reader and, very sensibly, no more.

One of the benefits of such a commentary is that it is able to draw upon relevant information from other sources. Sometimes this produces a more colourful account than that confined by the austere language of official reports. For instance, when the Cabinet Committee on Atomic Energy (GEN 75) met on 25 October 1946, they were conscious of the fact that, contrary to previously agreed procedure, the McMahon Act prohibited the US from sharing its atomic knowledge with any other country, including the UK. The Foreign Secretary, Ernest Bevin, had broached the matter with the American Secretary of State, James Byrnes, and received short shrift. He was not accustomed to being treated in such a disdainful manner and arrived at the meeting still smarting from the humiliating encounter.

The minutes of the Cabinet Committee meeting are relayed thus: “THE FOREIGN SECRETARY said . . . Even with the American information, however, there would still be strong grounds for proceeding with the construction of the plant.”. Drawing on a BBC Timewatch documentary, Hennessy tells how Bevin “waddled in late, having fallen asleep after a heavy lunch” and turned the meeting around. Confronting the arguments of Cripps and Dalton he said: “This won't do at all . . . we've got to have this thing over here whatever it costs . . . We've got to have the bloody Union Jack on top of it”.

Lord Portal (Controller of Production of Atomic Energy) apparently considered this piece of simplistic jingoistic logic decisive. He is quoted as remarking to Sir Michael Perrin, a Ministry of Supply official: “You know, if Bevin hadn't come in then, we wouldn't have had that bomb, Michael.” To borrow a familiar line from pantomime: “Oh, yes “we” would”.

A further example of this contrast in style arises from the debate regarding the ludicrous and ill-fated Skybolt project. In June 1960, the Tory Minister of Defence, Harold Watkinson, reported in a note to Cabinet on the promised delivery of the missile: “There could as yet be no certainty that Skybolt, which was not due to be tested as a complete weapon for about a year, would be successful . . . However, the United States authorities were confident that it would be effective.”

The weapon was cancelled in December 1962 and the author recalls how, many years later, it was described to him by Robert McNamara (President Kennedy's Secretary of Defence) as: “Skybolt. It was an absolute pile of junk”.

What independent deterrent?

In the same month, Cabinet minutes recorded a lengthy debate on the future role of the UK in NATO following the possible provision of Polaris missiles, which reveal a wonderful confusion over the precise meaning of a typically ambiguous passage contained in a draft agreement compiled at Nassau: “Again, the latest draft included a new provision that our strategic nuclear forces would be used for ‘the international defence of the Western Alliance in all circumstances except where Her Majesty's Government may decide that the supreme national interests are at stake’. The Prime Minister had particularly directed attention (in telegram Code 24) to these words, which had the effect of giving us sole right of decision on the use of our strategic nuclear forces and had asked whether . . . these words could be publicly defended as maintaining an independent United Kingdom contribution to the nuclear deterrent.”.

In accordance with the Prime Minister's request, the Cabinet examined the text closely and discovered that the meaning was rather less explicit than it had appeared to be at first glance. As the minutes explain with commendable clarity:

“There was some doubt whether, as it stood, the exception would be generally interpreted as allowing Her Majesty's Government to use United Kingdom strategic forces in circumstances not involving the defence of the Western Alliance, or whether it would be taken to mean only that the Government could decline to use those forces

in particular circumstances involving the interests of the Alliance.”.

It quickly became apparent that this prime example of legal sophistry (of a kind almost invariably present in any political agreement) needed urgent clarification, without which serious reservations could arise concerning the credibility of the Government’s declared nuclear policy. The crucial point was minuted in a masterpiece of understatement: “We might easily suffer from the growth of a suspicion that our military independence was, or might be, less secure than, for example, that of the French.”.

The whole theory of “deterrence” is, of course, a game of bluff and double bluff. While it was, and is, important for successive UK governments to publicly trumpet the idea of an “independent deterrent”, it is hard to imagine that many politicians actually believed in it. Telling revelations identifying such doubts appear throughout the book, via minority reports and admissions made to the author personally.

Discussing nuclear policy with Hennessy in a radio interview in 1985, Harold Wilson confessed: “I never believed we had a really independent deterrent.”

In the 1967 Burke Trend report, under the heading “The Case against Retention and Improvement” we read : “The Treasury and the DEA do not find it possible to believe that the United Kingdom could or would confront the USSR with our nuclear capability independently of the USA. . . .The Soviet Union would not believe that we would be willing to contemplate the total annihilation which would be the result of using our nuclear weapon against them . . . since we have already decided that we shall not develop or acquire a successor to Polaris [professed Labour Party policy at the time, lest we forget] (thereby setting a term to our participation in strategic nuclear deterrence) the right course is to abandon the whole of our nuclear capability as soon as possible.”

Again, in July 1968, dissenting from the Kings Norton Working Party’s recommendation that Polaris should continue, Lord Rothschild raises a further powerful point : “The Committee has been told that Polaris or Polaris-type missiles do not have Union Jacks or Stars and Stripes on them. How then, would Russia react if a missile were fired by the USA, for example, at Moscow? . . .Whatever the United States may say or believe about the acceptability of megadeaths in the USA, the effective elimination of the United Kingdom by a small number of H-bombs must raise serious doubts about the desirability of us having Polaris missiles at all.”

Later, in a report commissioned by Lord Carrington (Edward Heath’s Defence Secretary) another minority opinion is chillingly expressed by Chief of General Staff, Field Marshall Lord Carver: “He also doubted (the minutes continue) the credibility of an independent nuclear deterrent, either in our own or Soviet minds . . . If it were to be used when Europe was attacked it would represent the voice of suicide; if used when Europe had been overrun or we ourselves were under attack, it would be a voice from the grave.”

A seat at the table

The story told by the documents that Peter Hennessy has assembled is one of secrecy, deception and power motivated expediency. The elaborate charade of nuclear deterrence has at its heart, not the necessary defence of the UK population but perceived political grandeur. Ego-driven politicians playing a dangerous game of power

posturing – fuelled by the pathetic belief that “Britain” has some divine right to sit at the nuclear table for reasons of national prestige. This, from a 1962 Cabinet meeting presided over by Harold Macmillan : “Finally, if this country abandoned the attempt to maintain an independent nuclear deterrent it would be unable to exercise any effective influence in the attempts . . . to achieve some international agreement to limit nuclear armaments.”

Similarly, in a December 1967 minute from Wilson’s Cabinet: “We should lose the ability to influence nuclear policy.” Yet again, from a June 1974 report to Harold Wilson from Sir John Hunt: “But quite apart from the military consequences, it would severely affect our political influence and standing . . .” Nevertheless, four months later the Labour Party manifesto boldly declared: “ We have no intention of moving towards a new generation of strategic nuclear weapons.” Throughout the book, whenever disputes arise over the preferred direction of nuclear policy, we see the trump card of “influence” triumphantly played. From Bevin’s “Bloody Union Jack” intervention to Blair ensuring a UK nuclear commitment through to 2050, the underlying purpose remains the vainglorious and consuming desire to perpetuate the dangerous illusion of “British prestige.”

Similarly, General De Gaulle famously stated that his foremost consideration in reaching the decision to produce a “French” bomb, was that it would enable him to take part in nuclear disarmament talks. This provided fresh ammunition for the British nuclear weapons apologists. A minute of the meeting of the Ministerial Committee on Nuclear Policy (5 December 1967) puts it bluntly: “very serious political consequences would be involved in abandoning Polaris. It would leave France as the only nuclear power in Western Europe at a time she was moving further away from the NATO Alliance and planning to develop an inter-ballistic missile.” Honestly, the damn cheek of those French . . .

Although many papers still remain locked away (it’s called “Democracy”), this excellent collection offers a chance to understand in greater detail, the Machiavellian manipulations practised by successive UK governments. It has only been possible, in this article, to touch upon some of the political expediencies, policy reversals and downright deceptions awaiting the reader of this book. Made all the more compelling by their official status.

At last it is possible to more fully comprehend the desperate nature of the futile, but extravagantly expensive, attempts to “keep up” in the nuclear arms race. To follow the gradual unravelling of the staggering costs of the Chevaline development, which Callaghan for so long kept secret from Parliament. There are interesting reports on the nuclear resources of the Soviet Union and numerous enlightening insights into the UK’s supposed “special relationship” with the United States.

What exactly was the “Moscow Criterion”? What was “Option M” in relation to Polaris? What assistance did the London Zoo provide? The answer to all these questions and many more can be found within these pages.

This book deserves to be in every library, but a word of warning must be sounded. The detached and occasionally even elegant manner in which the various Cabinet debates are recorded, may lead some to conclude that we are all in safe hands. We should beware, however, of regarding any discussion as rational when it is manifestly based upon a lunatic and possibly fatal assumption.

RICHARD HEADICAR



Britain: An “Endemic Surveillance Society”

The control freaks in power who would monitor our every movement, conversation and transaction have had a busy time of late.



This year began with Privacy International, a London based human rights group and watchdog on surveillance and privacy, reporting that Britain and the US are in the lowest category when it comes to privacy and state intrusion into our lives. Greece, Romania and Canada had the best privacy records of 47 countries surveyed by Privacy International. Malaysia, Russia and China were ranked worst. (<http://www.privacyinternational.org/article.shtml?cmd%5B347%5D=x-347-559597>)

And there has been a constant stream, in the daily press and on radical websites, of reports of new and advancing methods in surveillance technology.

On 23 February, *BBC Online*

reported that the Home Office had rejected calls by the police to introduce a mandatory DNA database of all UK citizens, arguing that the suggestion “would raise significant practical and ethical issues.”

Already there are 4.5 million people in Britain on the DNA database, earning Britain the ominous title of the most DNA profiled country on the planet. Since 2004, the data on everyone arrested for a recordable offence (all but the most minor of offences) has remained on the system regardless of their age, the seriousness of their alleged offence, and whether or not they were prosecuted. In countless cases, if you go to court and you’re found totally innocent, they still have your DNA, a profile of your personal genetic make-up.

Not enough, say the police who, to highlight their case, point to recent solved murders thanks to the national DNA database. Right-wing reactionaries have backed police calls for such a database, citing the hackneyed argument that if you’re doing nothing wrong, then you have nothing to worry about. Which misses the point by a mile.

There’s nothing radical at the moment in the government resisting police pressure for a DNA database. They simply realise it will be one huge palaver to get DNA samples from almost 60 million people, a lot of whom will kick off big time were they to be threatened with penalties for failing to comply. Just how *do* you get a DNA profile on every human in Britain? For the moment they are biding their time until they come up with a better way to get around this.

So if you’re thinking that here is the British government defending our civil liberties, forget it. They’re still after their surveillance society. The *Guardian* (23 February) for instance, told us that:

“Passengers travelling between EU countries or taking domestic flights would have to hand over a mass of personal information, including their mobile phone numbers and credit card details, as part of a new package of security measures being demanded by the British government. The data would be stored for 13 years and used

to ‘profile’ suspects.”

One thing few of us were aware of was that last summer the EU made a deal with the US Dept. of Homeland Security to provide Washington with 19 pieces of information on all passengers between Europe and the USA, including credit card details and mobile phone numbers.

Not enough, says the British government, who want the system extended to sea and rail travel, to domestic flights and those between EU countries. And is the reactionary British government the only one in Europe to argue for this measure? Yes! Twenty-seven member states were questioned on whether the system should be extended for “more general public policy purposes”, aside from the alleged ‘war on terror’ and crime, and only Britain put its thumbs up. Britain further wants the authority to exchange the information gleaned, your most personal details, with third parties outside the EU.

The *Daily Telegraph* (7 March) reported: “All British citizens will have their fingerprints and photographs registered on a national ID database within 10 years under plans outlined by the Government.”

The Government announced that a national ID card, carrying 49 pieces of information about us, will be phased in within two years and that millions of workers in “sensitive jobs”, like teachers, carers and health workers, will be among the first to have their most personal details stored on to the national identity register.

The first unfortunates to be targeted will be foreign nationals working in Britain and who will possibly be issued with cards from this November. Then, next year, they predict that the first British citizens will be enrolled beginning with some airport staff, power station employees and people working on the London Olympics site

The *Daily Mail* (11 March) reported that some one-and-a-half-million 10 to 18-year-olds will have had their genetic profiles stored by this time next year, which strengthened arguments that the Government is moving towards a DNA database of all British adults “by stealth”.

“Since 2004 police have had the

power to take DNA samples from anyone over the age of ten who is arrested, regardless of whether they are later charged, convicted, or found to be innocent....But analysis by the campaign groups Action on Rights for Children and Genewatch has found that the figure conceals a far larger DNA-gathering operation, since the profiles of juveniles who have since turned 18 are no longer counted in the official total."

Earlier, the *Independent* (17 February) informed us that schools will be very much preparing kids for life in the police state, where cops have increasing powers. An article on knife crime in schools commenced:

"Parents will be told that they must allow their children to be searched at any time within school premises if they want to get them into the schools of their choice, under new plans to rid Britain's classrooms of the scourge of knives.

The Home Secretary, Jacqui Smith, will put the battle against illegal weapons at the top of her agenda when she unveils her Tackling Violence Action Plan tomorrow. The blueprint for tackling knife-related violence will include a radical move to give police hundreds of metal detectors to catch young people carrying hidden weapons in schools, clubs and pubs."

Three days later the *Independent* reported that teachers had backed the introduction of metal detectors in schools:

"Although the initiative carries disturbing echoes of some US cities, where high-school pupils are routinely scanned for weapons, head teachers said it could help to tackle violence in high-crime areas. Metal detectors are still relatively rare and hugely controversial in US schools, but they have been used, particularly in rougher inner-city neighbourhoods, for at least 20 years with some success."

This is a disturbing vision of the future. Not only does your kid get to be fingerprinted at school, as now, their details stored and their having to have their dabs scanned before even getting a school meal (as was done by stealth at my son's comprehensive school, without the prior knowledge of parents) but they will face spot searches, yanked from class to be frisked by some over-zealous teacher, as well as having to go through metal detectors.

How long before kids are urged to report to staff on any subversive comment heard at home, being rewarded with a medal when they do? If you're aiming on implementing a total surveillance society, then what better way than to start with kids and acclimatise them to incessant surveillance from an early age.

And if you can target kids, who are all too ready to accept the 'wisdom' of their elders and superiors, and

who are in no position to object, then why not also target another section of society who have fewer rights – prisoners – who can be conned into having their movements monitored if they think it will result in a non-custodial sentence?

Less than two weeks after Privacy International announced that Britain was an "endemic surveillance society" we had the *Independent on Sunday* (13 January) reporting with a front page headline: "Prisoners to be chipped like dogs". All that was missing was the subheading: Welcome to the police state Britain.

In a bid to implement home curfews on the more 'errant' members of our society and to create more space in Britain's overcrowded jails, ministers have come up with plans to implant 'machine-readable microchips' beneath the skin of thousands of offenders as part of an expansion of the electronic tagging scheme.

The system is already in place for dogs and cats, cattle, cars and airport luggage, for instance, so it was really only a matter of time before someone came up with the bright idea of using 'spychips' on humans. Said one senior minister: "We have wanted to take advantage of this technology for several years, because it seems a sensible solution to the problems we are facing in this area...We have looked at it and gone back to it and worried about the practicalities and the ethics, but when you look at the challenges facing the criminal justice system, it's time has come."

So much then for the battle cry of the Labour Party when it came to power: "Tough on crime, tough on the causes of crime." The latest move is tantamount to admitting Labour policies have failed, that crime cannot be controlled within the context of capitalism and that class inequality will forever throw up a "criminal element".

The *Independent* observed:

"More than 17,000 individuals, including criminals and suspects released on bail, are subject to electronic monitoring at any one time, under curfews requiring them to stay at home up to 12 hours a day. But official figures reveal that almost 2,000 offenders a year escape monitoring by tampering with ankle tags or tearing them off. Curfew breaches rose from 11,435 in 2005 to 43,843 in 2006 – up 283 per cent. The monitoring system, which relies on mobile-phone technology, can fail if the network crashes."

The idea now is for offenders to have tags, consisting of a toughened glass capsule holding a computer chip, injected into the back of the arm with a hypodermic needle

It goes without saying that human rights campaigners should be the first to expostulate. Liberty's Shami Chakrabarti commented: "If the Home

Office doesn't understand why implanting a chip in someone is worse than an ankle bracelet, they don't need a human-rights lawyer; they need a common-sense bypass."

Harry Fletcher, assistant general secretary of the National Association of Probation Officers, said: "This is the sort of daft idea that comes up from the department every now and then, but tagging people in the same way we tag our pets cannot be the way ahead. Treating people like pieces of meat does not seem to represent an improvement in the system to me."

One company plans deeper implants that could vibrate, electroshock the implantee, broadcast a message, or serve as a microphone to transmit conversations. What is being proposed, then, in some quarters is the tasing of offenders, via satellite, from outer-space. Step outside the confines of your curfew area and ZAP! How long before we find Gordon Brown and Co. contemplating the idea of each and every one of us carrying a vein deep implant, with defenders of the idea regurgitating the old line: "if you're doing nothing wrong, then you have nothing to worry about?"

Consumer privacy expert Liz McIntyre said: "Some folks might foolishly discount all of these downsides and futuristic nightmares since the tagging is proposed for criminals like rapists and murderers. The rest of us could be next."

Most workers are totally oblivious to the creeping surveillance society, the full police state, where people with powerful interests to defend can track us 24-7. It is done so slowly, so subtly, that the majority of people don't realise what is going on. Indeed, many who are cognisant of future surveillance proposals believe it is harmless and is done with their best interests at heart – so wise are our leaders. Little by little, workers are becoming acclimatised to the Big Brother Society, in which they will have your DNA, your fingerprints your credit card details... everything... Everything will eventually be known about everyone.

They're telling us all that we are not to be trusted - none of us – and that we need to be surveilled constantly and that it is all in our own interests, for the good of society. They want our genetic profiles logged, our financial transactions, our medical history, and our telephone, email and web-surfing habits catalogued and shared with security agencies all over the world. Well, trust is a two-way thing, so why should we trust them one inch?

JOHN BISSETT

Book Reviews

Russia and the World

***Empire of the Periphery: Russia and the World System.* By Boris Kagarlitsky. Translated by Renfrey Clarke. Pluto Press, 2008. £40 / \$60.**

This is a Marxian analysis of Russian history, from Kievan Rus (ninth century) up to the present day. The author is a prominent left-wing writer, currently director of the Institute of Globalisation and Social Movements in Moscow.

It is not an easy book. Written originally for Russian readers, it assumes a basic knowledge of the facts of Russian history and concentrates on interpreting the most important of those facts. However, it is very stimulating and informative and well worth the effort that it demands.

The interpretation focuses on the evolution of economic interactions between Russia and other parts of the world. These interactions, according to Kagarlitsky, have been much more intensive and persistent than many historians have believed. Nor has Russia always been a backward country: Kievan Rus was far in advance of early medieval Western Europe. If Russia has been relatively underdeveloped in recent centuries, that is a product not of isolation but rather of the way it was integrated into the growing world capitalist system – as a dependent periphery, supplying raw materials to the world market. The “Soviet experiment” was a temporarily successful effort to break out of dependence and establish Russia as an independent industrial power. Now Russia has fallen back into its traditional niche in the world system.

One of the interesting points made is that the serfdom of the early capitalist period was quite different from feudal serfdom. Unlike the serfs of olden times, who lived in a natural economy, the serfs of the 18th and early 19th century were exploited in order to obtain grain for sale abroad. The author compares this semi-capitalist serfdom with slavery in the old American South, which was likewise oriented toward the world market, and also with the collective farm system under Stalin.

Kagarlitsky does not express a definite view regarding the nature of the Soviet socio-economic system. He clearly regards it as a functional substitute for private capitalism, which in Russian conditions was unable to industrialize and modernize the country. He does not claim it was socialism, but he seems to feel there was something socialist about it, especially at the start. The account of the early post-revolutionary period is perhaps the weakest section of the study.

Taken as a whole, however, this book is an impressive achievement. In contrast to many writers on Russia, Kagarlitsky knows not only Russian

but also world history, and this enables him to view Russia in context as part of the world, not as a world apart. As socialists, we have no quarrel with his concluding sentences: “The fate of Russia is inseparable from the fate of humanity, and we can struggle for a better world for ourselves only through trying to build a better world for everyone. And this, of course, can also be said of any country.”

SDS

Controlling the Past

***The Battle for China's Past.* By Mobo Gao. Pluto Press £18.99.**

Whoever controls the past controls the future was one of Big Brother's slogans in George Orwell's *1984*. This point is illustrated in this book on Chinese politics and recent history.

Gao's theme is that the Cultural Revolution (1966–76) under the leadership of Mao Zedong was beneficial to most Chinese, even though it is now described in China as ‘ten years of catastrophe’. The official denigration of Mao and the Cultural Revolution serves the purposes of those who now govern China and wish to set themselves apart from the China of the 50s and 60s. Mao was right to describe Deng Xiaoping as a ‘capitalist roader’, as Deng's views became dominant after Mao's death and led to the present triumph of ‘neoliberalism’. In contrast, many Chinese — especially the poorest or those living outside the big cities — look back on the Cultural Revolution as the good old days. Numerous internet sites contain defences of Mao's time as boss.

Along the way, Gao lays into the Chang and Halliday biography of Mao (see the *Socialist Standard* for September 2005), describing it as a disaster, full of dodgy references, mis-use of sources and complete representations. Equally, the memoir by Li Zhisui, who represented himself as Mao's personal doctor, contains many fraudulent claims.

Beyond relatively easy targets such as these, however, Gao's attempts to rehabilitate Mao and Maoist policies are not very convincing. The Great Leap Forward (1958–60) created a famine that led to large numbers of deaths. There seems to be little justification for the Chang-Halliday claim that Mao murdered 38 million people, but even the lowest estimates of the death toll put it at several million. And it is not much of an excuse to say that Mao was not the only government leader responsible for the disaster.

The Cultural Revolution itself is treated in a very rosy glow. Supposedly it was originally intended to teach ‘Communist’ Party officials an ideological lesson but got out of hand, with physical violence often being used against officials and their family members. It's at best misleading to say that there was

continued on next page

Meetings

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.

East Anglia

Saturday 24 May, 12 noon to 4pm

12 noon: informal chat/branch

business

2pm to 4pm: branch business/future plans.

The Conservatory, backroom of the Rosary Tavern, Rosary Road, Norwich.

South West Regional Branch

Saturday 17 May, 2pm to 5pm

Village public house, 33 Wilton Road, Salisbury (near Salisbury railway station).

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.

'unprecedented freedom of association and freedom of expression' at the time without referring to those who suffered from exercising these so-called freedoms. For instance, Gao mentions Yang Xiguang of the Shengwulian organisation, but without mentioning that he spent ten years in prison from 1968 for 'counter-revolutionary activity'.

In defending Mao and the Cultural Revolution against their present critics, Gao is also attacking developments in China since Mao died, especially since the 'reforms' began in 1978. He argues that China is, or is becoming, a capital-

ist country, on three grounds. One is the alleged deterioration of the position of workers and the undeniable growth of inequality. The second is the spread of privatisation, and the third is the extent to which the Chinese economy is run by transnational capitalist firms. But none of these relates to the mode of production: wage labour and commodity production have increased in scope since 1978, and indeed since 1949, but they are not new. China was state capitalist under Mao and is increasingly private capitalist now.

PB



To busmen—and others



By the time this issue of the SOCIALIST STANDARD is in print the Busmen and Railwaymen may have got the pay increases they claimed, or they may be preparing for strike action. In either event we wish them well, as we always do when workers take realistic action to get something more out of their employers. We say that the action should be realistic; it should be taken after due consideration, by the workers concerned, of the chances of success, for there are occasions when strike action has been a battle lost before it was fought. There is, however, no reason to think that the situation facing the busmen and railwaymen at the present time is such an occasion. The controlling body of both sections of the nationalised transport industry say they can't pay more and won't pay more, and that strikes will only drive more people permanently away from using trains and buses, but it looks, to an outside view, better to test the situation now than to defer it, even though no doubt the growth of unemployment in recent months has already made the situation rather less favourable than it was. (. . .)

As Socialists we have something

more to say to our fellow workers who make wage claims than merely to wish them well; we ask them to look beyond strikes over wages, and by that we do not mean that we advise them to look to Nationalisation or Labour Government to help them. The Transport industry is already nationalised, without that change having done anything for Busmen and Railwaymen. Remember, too, that the Government policy of "wage restraint"—persuading you not to press for higher wages when conditions are more or less favourable—was in full force under the Attlee Labour Government and will be continued by any future Labour government.

What we ask you to do, in your own interest, is to consider the case for Socialism. If you do you will discover things that may surprise you. You will find out how Socialism will spare you the necessity of striking over wages, for Socialism involves the abolition of the wages system in its entirety. It also involves the abolition of capitalism with its continuing poverty, slumps and wars. Socialism should be your concern as well as ours.

Executive Committee.
(*Socialist Standard*, May 1958)

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Declaration of Principles

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

Object

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

Declaration of Principles

The Socialist Party of Great Britain holds

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

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

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

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

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

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

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

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

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

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



Winners and losers

One law for the poor, and another for MPs.

Day after day, in magistrates' court up and down the land miserable, friendless wretches stand a-tremble as they wait to hear how they will be punished for behaviour which, they are encouraged to believe, is akin to a weapon of social mass destruction. For these are the benefit frauds, people who have successfully claimed a state hand-out which the rules – the law – says they are not entitled to. In some cases, perhaps dependent on where the court is situated, the illegal claimant is surprised to find that the prosecutor from the benefits agency and the magistrates are not unsympathetic to the defence that it was the misery of persistent extreme poverty – perhaps trying to get by as a lone parent or on the starvation wages of a cleaner or a carer or the like – which led, inexorably, to the false claims. But in other cases, when the circumstances of the claimant are not so bleak, they are liable to hear themselves denounced as a threat to an orderly, fair society in which everyone has their place and where all benefits will come to those who are grateful enough to wait. In such cases a sternly salutary sentence is in the offing.

A recent example of this was heard at a court in Somerset, when a David Wilshaw was sent to prison for 20 months. His offences were to claim, over a period of four years, tax credit for 16 children who did not exist. It all began, he said, when he claimed legitimately for two children of his partner and saw that he was not required to provide any proof, such as birth certificates, of their existence. This encouraged him to invent other children, which brought in over four hundred pounds a week. It was said that when he was arrested he hinted that he should be congratulated rather than punished; he had, he said, done a “public service by identifying this loophole” which, although showing that he was typically acquiescent in the delusions about the essential justice and progressiveness of class society, did not persuade his sentencers to go easy on him. After all, they had already heard some other facts about him, for example that he had many previous convictions for fraud and was a gambling addict who could run through six hundred pounds a week. It did not help his case that while he was at the betting shop his partner was contending with her own addictive needs, swallowing a minimum of two bottles of brandy a day.

Epidemic

So there you have it – a man who, rather than tackle his personality defects exploits the generosity of a compassionate society. Except that he is not alone in this; a BMA report in January 2007 described Britain as heading for a gambling epidemic, with an estimated 300,000 addicts, while widespread and easily available “treatment” – stifling, or perhaps substituting for, the compulsion – is urgently needed. Gambling is no longer mainly a male preoccupation for it is now known as “female friendly” – although what is “friendly” about it is not easily apparent – and it now threatens to engulf children. The outlook is that the problems will get worse. A Labour MP who sat on the committee which examined the laws of gambling said that new opportunities, such as on-line gambling, were bound to result in a rise in addiction – and “addiction,” he said, “isn't like flu; it doesn't just go away and you can't take a pill to beat it”. Which, true as it is, avoided the point that this Labour government, like its predecessors on the other side of the Commons, had actually aggravated the addiction, akin to forcing someone with flu to stay outdoors in bad weather.

The Gambling Act 2005, among other things, eased

the entry requirements for casinos and bingo halls and sanctioned TV advertisements for casinos. Professor Mark Griffiths, who was co-author of the BMA report, commented on the likely effect of this: “The liberalisation of gambling and the number of different ways people can do it, such as mobile phones and spread betting, means the figure (of addiction) will go up”. The Act also allowed the establishment of the “super casinos” (although in deference to loud protests and, it is rumoured, Gordon Brown's Presbyterian background, this has since been modified) and other such establishments whose purpose is to supply an hour or two of fantasy to some particularly desolate workers while separating them from what is left of their wages. Gambling is a big, growing industry in which about nine and a half billion pounds are “lost” each year. Such harsh realities threaten the very foundations of working class dreams.

Gravy Train

It might be that none of this is of interest to David Wilshaw sitting in his cell but at least he has time there to reflect on his wasted life, which may be more instructive for him than crossing off the days until he is free to get back to his sad, alcoholic partner and the local betting shop. It might occur to him that the treatment given to those who offend against capitalism's expectations is not unconnected with their social standing. Newspaper addicts will be aware of the turbulence over the scale of expenses available to MPs and the manner in which these have been claimed, giving the overriding impression that Honourable Members are happily aware that they are on to a good thing. Among the most blatant examples of working the system was that of Tory MP Derek Conway, who claimed allowances to employ his two sons and the boy friend of one of them to work for him as “researchers”.

The problem was that there was no evidence of any of them doing any research or even of attending the Commons other than when being entertained on the Members' Terrace. One of the sons is a university student and the other a “fashion writer” whose day job is to arrange swell parties for upper class youngsters at the exclusive Mahiki night club, a favourite haunt of Prince Harry when he is not preoccupied with clearing the Taliban out of Afghanistan. The estimates of the amounts paid to these “researchers” varied but it was clear that in total it ran into tens of thousands of pounds. Naturally the other MPs got very cross about this unwelcome exposure of their gravy train and as a result Conway had to make the usual noises about being sorry, he was ordered to repay just a part of the money he had misappropriated and he was suspended – told not to turn up for work for a few days. By David Wilshaw's standards, not too bad a result.

Why were there such differences in the treatment of these two cases, both of which involved obtaining money through false declarations? Both men gambled on not being found out but Conway had the better chance of getting away with it in that he relied on the established system based on the assumption that MPs, who spend their time telling the rest of us how to behave, and passing laws to ensure that we do as they say, are incapable of abusing their own rules. Nothing must be allowed to undermine this assumption. Some analysts would regard this as an addiction as powerful and as destructive as the one which bring all those desperate people into the dock and shut David Wilshaw away in prison.

IVAN



The Gap Widens

Much is made of the progressive nature of capitalism by journalists eager to prove that it is a society that is gradually making us all better off. A dissident view has recently been aired by the journalist Phillip Blond. "The New Economics Foundation has shown that global growth has not aided the poor. In the 1980s, for every \$100 of world growth, the poorest 20 per cent received \$2.20; by 2001, they received only 60 cents. Clearly neo-liberal growth disproportionately benefits the rich and further impoverishes the poor. Real wage increases in the top 13 countries of the Organisation for Economic Cooperation and Development (OECD) have been below the rate of inflation since about 1970 – a situation compounded in Britain as the measure of inflation massively underestimates the real cost of living. Thus wage earners – rather than asset owners – have faced a 35-year downward pressure on their standard of living." (*Independent*, 23 March)

Double Standards

"Too much public money is spent on prolonging the lives of the elderly when it could be diverted to helping young offenders, according to a senior Church of Scotland minister. The Reverend Maxwell Craig, who is now retired but retains the honorary position of Extra Chaplain to the Queen in Scotland made the comments yesterday in a newspaper column." (*Times*, 27 March) We are fairly certain that the reverend gentleman is complaining about the expense of keeping old workers healthy and not the Royal Family whom he serves and who have a fairly good record of longevity. In the east end of Glasgow, in an area known as Calton the average life expectancy of males is 57. Make your own mind up.

American Illusions

During the primary elections in the US much has been made of Hilary Clinton's care for the under-privileged against the



Rice - going wild, and palm oil, coming in

super-rich, but what is the reality? "Democrat Hilary Clinton and her husband, former President Bill Clinton, have made \$109 million since leaving the White House, including \$51 million in speech income for Bill Clinton, according to eight years of tax records released on Friday." (*Yahoo News*, 4 April) We don't take sides in this political 'beauty contest', but we can recognise that all of the candidates are hypocritical self-serving people who wish to administrate the awful system of capitalism. We hate their system and we detest all of them who try to con us into supporting it.

This Is Progress?

Apologists for capitalism like to paint a picture of a system that is gradually improving the lot of the world's poor, but recent developments show that this is a fallacy. The development of the markets in China and India and the process of arable land being used to produce bio-fuels instead of less profitable foodstuff have led to chaos throughout the world. "Rising food prices could spread social unrest across Africa after triggering

riots in Niger, Senegal, Cameroon and Burkina Faso, African ministers and senior agriculture diplomats have warned. Kanayo Nwanze, the vice-president of the United Nations' International Fund for Agriculture, told a conference in Ethiopia that food riots could become a common feature, particularly after the price of rice has doubled in three months." (*Financial Times*, 4 April)

A Grim Future

Recent droughts in places like Australia and Africa combined with the explosive competition inside modern capitalism have led to many experts forecasting future disasters. "In recent months the commodity prices of rice, wheat and corn has jumped 50 percent or more, pushing retail prices to levels unseen in



a generation and prompting grain-exporting countries to curtail trade to suppress domestic inflation. On March 20, the World Food Program issued an emergency appeal for more funding to keep aid moving to the world's poorest countries. Last week World Bank president Robert Zoellick called for urgent global action on the part of rich nations 'or many more people will suffer or starve'". (*Newsweek*, 14 April)

Free Lunch

by Rigg



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