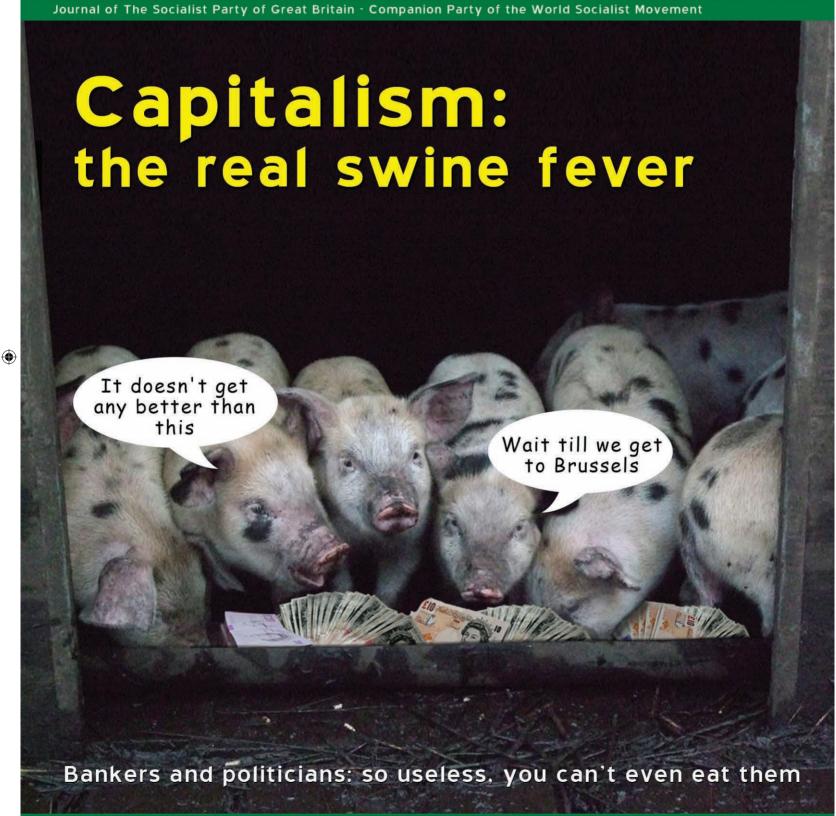


# SOCICIST standard



June 2009 Vol. 105 No. 1258 £1.50





Uprooting Proudhon page 12



Voice from the back page 24



Free Lunch page 24







website: www.worldsocialism.org







### contents

### **FEATURES**

### **Not So Honourable Members**

The recent expenses scandal has confirmed that many politicians are just self-serving careerists but, even if they were all saints, it wouldn't make any difference to the way capitalism works.

### **Problems and Solutions**

Socialism won't be a problem-free society but it will allow problems to be dealt with rationally.

### Marx's Contribution to the Critique of Reformism

Marx wrote a book 150 years ago that shows why money exists today and how we can get along fine with out it tomorrow.

### 15 Understanding history

The materialist conception of history was first outlined publicly 150 years ago this month.

### 19 A simpler way of doing things

Capitalism makes arranging production more complicated than it need be.

### 23 A different kind of politics

Politics has become a dirty word, but that's because we leave it to professional politicians.

### **SUBSCRIPTION ORDERS**

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

One year subscription (normal rate) £15 One year subscription (low/unwaged) £10 Europe rate £20 (Air mail) Rest of world £25 (Air mail)

Voluntary supporters subscription £20 or more.

Cheques payable to 'The Socialist Party of Great Britain'.

### THE SOCIALIST PARTY OF **GREAT BRITAIN**

The next meeting of the Executive Committee will be on Saturday 6 June at the address below. Correspondence should be sent to the General Secretary. All articles, letters and notices should be sent to the editorial committee at: The Socialist Party, 52 Clapham High street, London SW4 7UN.

tel: 020 7622 3811 e-mail: spgb@worldsocialism.org

### REGULARS

- **Editorial** Crisis
- **Pathfinders** ESA, Patents, Lawfare
- Letters
- **Material World** Mystery flu virus
- Cartoon Simon the Sociobiologist
- **Pieces Together**
- **Contact Details**
- Cooking the Books 1 No jam tomorrow either
- 17 Cooking the Books 2 No growth area

### 20 Reviews

Into the Heart of the Mafia: History of the Northern Ireland Labour Party; The Spirit Level

- 21 Meetings
- 22 50 Years Ago The Snoopers

### 24 Voice from the Back

World Poverty: The Failure Of Reformism; Not So Boastful Now; The Failure Of Labour

24 Free Lunch



### 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**

### **Crisis of legitimacy**

THE EUROPEAN elections this month could not have come at a better time for a disgruntled UK electorate. While clearly fuelled by a media fresh from savaging merchant bankers and seeking new victims, the anger felt amongst the public regarding the "creativity" shown by MPs in relation to their expenses claims is undoubtedly genuine enough. Having had it confirmed recently in a government report that deprivation and inequality had risen for the third year running, the UK working class might find the maintenance costs of an MPs moat - to take just one example - a little difficult to understand.

Of course in the scheme of things, while the expenses claims make interesting reading, the whole issue is a bit of a storm in a teacup, and should be kept in some perspective. A few grand nicked here or there is crumbs compared to the wholesale legalised theft of value that occurs on payday when workers receive less than the value they have produced for their employer during that month

Socialists have little concern for the apparent moral consistency (or otherwise) of individuals, be they MPs or not. It's the system we live under that we are interested in. As defenders of capitalism the right honourable gentlemen and ladies at Westminster have rarely been "right", and are certainly unlikely "honourable" role models. As exemplars of capitalism's principles, however they would appear to embody all the necessary tight-fisted, money-grabbing, elements.

If we didn't know it already, the last year should have taught us that capitalism is just not a "fair" system. There are many more important criticisms that can be levelled against capitalism, but the idea of "fairness" - the assumption that the society we live in should basically be a fair one, giving everyone an equal shout and an equal chance - is a political sentiment that seems to strike a very deep chord with people. On that score, capitalism is clearly found wanting

More importantly, workers' confidence in the money system has clearly taken a significant bashing in recent months as pensions evaporate, redundancies are announced and house repossessions increase. The legitimacy of our leaders - whether business or political - is under increasing attack. Bankers have been an easy scapegoat for the fundamental failings of the economic system, capitalism. It is likely that some of that anger focussed on bankers has been generalised against those in power in the form of the political class represented at Westminster. And seldom before can the political choice provided for us have seemed so narrow. Threatened by ridicule from the public, the main political parties – between queuing up to show their contrition and denouncing their own excesses in terms reminiscent of some Maoist show trial - have spoken with one voice, the pro-capitalist voice. For brevity and clarity we can call them the Capitalist Party, the real political opponent of the Socialist Party.





## PATHANDERS

### ESA's eggs in one rocket

ONE GETS so used to warnings of woe and dire prognostications that the occasional 'good news' item really stands up and waves with both hands, and lately there have been more than one such item. We have recently learned, for example, that the disaster attending the melting of the West Antarctic ice sheet might not be so bad after all ('Ice sheet melt threat reassessed', BBC Online, 14 May). No indeed, instead of the sea level rising by six metres, it may only rise by three. This may not comfort the sub-sea-level Dutch, who can't afford a rise of three centimetres never mind metres, but you might be able to get by living on the first floor of your house and punting to work. Heartwarming news, too, that some species of insects are not as threatened with extinction as previously believed. "We were a bit surprised that the dragonflies are not that bad off", says one researcher ('Dragonflies face uncertain future', BBC Online, 15 May). Entomologists probably won't be partying while Rome burns for mammals, birds and amphibians, who make up 63 percent of threatened species. It's just amazing that the Grim Reaper - that Horseman of the Apocalypse known as 'Capitalism' - has been so remiss as to overlook something.

Rather more inspiring news for astronomer buffs came with the successful lifting off of the Herschel and Planck space telescopes on an Ariane 5 on 14 May. Herschel is an infra-red telescope that will see through gas and dust clouds to observe stars and galaxies being born, while Planck will study the Cosmic Microwave Background radiation, key to unlocking the secrets of the Big Bang and the proposed Inflation event, and perhaps even finding hints of earlier universes. The holy grail of grails would be to find experimental evidence of the 'multiverse', the supposed multiplicity of parallel universes predicted, or rather unavoidably encountered, by string theory. This might then suggest that physics has not, as some

suspect, been wasting its time for thirty years quantum tunnelling down a blind alley.

Easily the most expensive projects undertaken by the European Space Agency, these telescopes were bundled together on one rocket (which has been known to explode) for economy's sake. So were the scientists nervous at take-off? You betcha. It wasn't



just the prospect of a £1.7 bn firework display, it was the gambling of a huge time investment by hundreds of people. "I woke up at 4.15am this morning, I was so nervous", said one Cardiff astrophysicist. "Some people have spent 10 years and more on this .... I felt sick to the stomach."

And it wasn't just past effort that was riding on the launch. "If this were to have blown up... a lot of people could have lost their jobs and grants and funds coming for it would have gone." ('Jitters and joy at rocket launch', BBC Online, 14 May). As a bonus, Cardiff University looks forward to seeing a big boost in undergraduate admissions as a result of their involvement in the ESA project. In capitalism, even in pure science, there's always an angle.

### **Patent Stupidity**

IMAGINE GETTING cancer and being told that you can't have a cancer test because one of the genes involved in the cancer belongs to a private company. This is what happened to Genae Girard of Austin, Texas, in 2006, when she ran up against a patent owned by the company Myriad Genetics. Now, with the backing of other cancer patients and professional groups of pathologists, she is suing Myriad and the US Patent Office ('Cancer Patients Challenge the Patenting of a Gene', New York Times, 12 May). At stake is the question of whether it is legitimate for companies to own natural processes. Yes, say companies like Myriad, who wish to charge patients like Girard \$3,000 and who refuse to work with their health insurers. Yes, says the Patent Office, who argue that patent restrictions encourage technological development. No, say a host of researchers, who argue the precise opposite, that patents limit research and result in mediocrity and stagnation. Other companies say they can do the same work as Myriad, faster and cheaper, but are legally prevented from doing so. Though one patent-owning company drew praise by being generous with free licensing, this is not likely to be the norm, and future research involving the crossing of multiple patent walls will most probably founder. Many scientists are simply outraged at this imposition of market values on the quest for knowledge. For them, the future of science is in the balance. "You can't patent my DNA, any more than you can patent my right arm, or patent my blood," says Jan Nowak, of the Association for Molecular Pathology. But in capitalist law, you can

own anything, no matter how much it flies in the face of common sense and common interest.

We can only hope that the next bit of good news is that someone has patented the swine flu virus. That way, none of us will be allowed to catch it.

### **Lawfare and Disorder**

WHILE LITIGATORS across the Pond battle over intellectual property rights, litigation over in the UK seems bent on abolishing intelligence. The well-known enthusiasm among member states of the Organisation of the Islamic Conference (OIC) to pursue libel suits against western newspapers and individuals seems now to have spilled over into junk science. Using libel law to prevent and punish unwelcome criticism is known as 'lawfare' and even 'libel terrorism', and is a standard tactic for the OIC, but now snake-oil merchants everywhere will be ecstatic that the British Chiropractic Association has won its libel case against the science writer Simon Singh, who described certain of its practices as 'bogus' (New Scientist, 16 May). This victory may owe a great deal to the fact that, in English libel law, the burden of proof is upon the defendant, not the prosecution, a peculiarity which has spawned a UK-centred 'libel tourism' industry. Now the homeopaths and crystal-therapists will be catching on. You don't need to prove that your 'alternative' homespun voodoo works, you can just rely on the defence being unable to prove that it doesn't. Were we to claim in this paper that fairies don't exist, we would nonetheless have a hard time proving it.

**Socialist** Standard June 2009

4



### Is capitalism dead?

Dear Editors.

I am writing to you because I do not understand why, now that Capitalism has collapsed (it is only giving symptoms of life by virtue of the heart-lung machine of the media), Britain does not hear more from you.

Capitalism is dead. It has been slowly dying for the past 100 years. All one has to do to prove this is to compare the value of the pound sterling 100 years ago with its present value. We have watched capitalism stagger from one financial calamity to another. And now we have reached its death. It is no longer a matter of whether one is a Socialist or not. It is now about survival. There is nothing so irresistible as an idea whose time has come. Britain is a society or it is nothing. Why are we not all working (and being paid commensurately) for the improvement of our society. Where is the logic in allowing a stockbroker to earn five times as much as a schoolmaster? Who is more valuable to our Society? I realise this might not 'sell' to the public, but surely you should be point out in no uncertain

- (1) A bank collapses and is nationalised, we the people being left to pick up the tab. Why, when we nationalise a losing enterprise does not our government also nationalise the profit-making companies to counterbalance this loss?
- (2) Certain aspects of our society are far too important to be left in the hands of a bunch of greedy selfseeking oligarchs? Surely the collapse of our banks has proved this? Noone would suggest we privatise our police or our armed forces or our fire and ambulance services. So, is it not logical that our transport, (land, sea and air), our water, electricity and gas services are together with our steel and nuclear industries equally vital and should also be in public ownership?

Why is this case not being put before the public who are increasingly desperate for an answer to our hopeless capitalist system?

Simple, straight messages showing how Socialism is the answer to our present economic troubles rather than fighting valid but pointless 'class wars' would make a great impact right now. 100,000 emails showing how and why Socialism must come because it is the only answer to this death of Capitalism, should be being sent out every week. I get at least one email a week from the BNP. If they can do it why cannot you? Drop being

Socialist Standard June 2009

anti-American and anti-Israel. That is a waste of time and space. Start concentrating on being pro-Britain. The people need Socialism only they don't know it. Tell them. DAVID LEE (by email)

### Reply:

We would like to be as confident as you that capitalism is dying but we can't be. We know from past crises - and, in the history of capitalism, there have been at least two, in the 1880s and the 1930s, as big as this one - that capitalism can recover from them. Capitalism won't die. It has to be done to death, by the intentional, political action of the excluded majority of wage and salary workers. We can of course agree that it is high time they did this, and we are doing all we can (pamphlets, leaflets, meetings, the internet and, yes, emails) to get them to do this and to establish in its place a society of common ownership, democratic control, production solely for use, and free access to what people need, socialism in short.

We must point out that, in our view, socialism can only be established on a world scale. This is because - as is surely obvious from the present crisis - capitalism, the system it will replace, is a world system. It would just not be possible to establish socialism only in one country.

It might be possible to nationalise utilities, transport and other industries just in Britain. But this wouldn't deprive the "greedy selfseeking oligarchs" of their property and privileges since when an industry is nationalised the shareholders are paid "compensation" which they can then reinvest in some other business. In any event, even though nationalisation is sometimes called "public ownership", it is not really ownership by "the public", i.e. the community, i.e. all of us, but only ownership by the state, i.e. by the minority whose interests it serves. Nationalisation, as the experience of the nationalised industries between 1945 and the 1980s shows, is really state capitalism with the employees still needing trade unions to try to get better pay and working conditions from their employer - Editors.

### Monstrous system

Dear Editors

We must reject the notion that a money-based, inordinately complex market system, propped up by bailouts, is the only feasible system of

society. It leads to serious poverty for the masses against riches for a minority, widespread stress, one person's gain at the expense of another, trade disputes, wars, pollution, homelessness. It stifles medical research and education and it makes charities necessary. This monstrous system has already cost millions of lives in wars and famines. Instead, we should campaign worldwide for a system of common ownership of the resources that we need for a happier life. VINCENT LITTLEMORE, Banstead

### **Socialist Party** Merchandise

Teeshirts:

Blue with polar bear and 'If you were a polar bear, you'd be a socialist' plus party website address. Yellow, with blue and green globe 'The world is a treasury for all' plus party web site address on. Sizes: S, M, L, XL, XXL.

MUGS: One style: 'Duet' - Red and white with 'Only sheep need leaders' and website, with "Famine? War? Pollution? Capitalism is the Problem. World Socialism s the Solution" and party telephone number.

### PENS:

Blue and white, with blue ink 'Only sheep need leaders' and a sheep plus party website. Red and white, with blue ink 'Workers of the world unite' plus party website Black with black ink. 'Only sheep need leaders!' and a sheep plus party website.

### **BASEBALL CAPS:**

navy blue, with embroidered "World Socialist Movement" on.

### BALLOONS:

different colours, with "World Socialist Movement".

### Prices:

Tee shirts £7.00 each (state size when ordering). Mugs £5.00 each. Pens £0.50 each. Baseball caps £5.00 each. Balloons 15p each.

Postage and packaging

£2.50 for the first £10 and then £1.50 for subsequent £10 worths or part thereof. Please send cheque or postal order (no cash) made payable to SPGB SW Regional Branch, c/o Veronica Clanchy, FAO: South West Regional Branch, 42 Winifred Road, Poole, Dorset. BH15 3PU. Any queries, please phone 01202 569826. Please include own phone number or other contact details.









## Mystery of the **Pig / Bird / Human Flu Virus**

"SWINE FLU" is really a misleading term for the current pandemic, inasmuch as no single species serves as host of preference for the new virus. It does not need to mutate as it jumps from pig to human and back again. This is a fully trans-species disease.

According to the findings of Canada's National Microbiology Lab, the genome of the new virus is a strange composite of eight segments from four old viruses, associated with two distinct varieties of swine flu (North American and Eurasian), a North American avian flu and a human flu (the H3N2 strain last seen in 1993). New Scientist calls it "an unusually mongrelised mix of genetic sequences."

### Possible sources of the virus

It is widely assumed that the virus evolved in a pig. Suspicion has come to rest on a huge fly-infested lake of pig shit on the site of a pig factory – calling these places "farms" creates quite the wrong impression – in the central Mexican province of Veracruz. The pig factory (one of 16 in the province) is owned by Granjas Carroll, which is itself half-owned by the US pork and beef conglomerate, Smithfield Farms. The idea that this particular factory is the source of the outbreak is based on the fact that a young boy living nearby is the earliest known case of infection with the virus

This explanation is certainly plausible. Pigs are susceptible to most if not all of the main virus families, so different kinds of virus can easily accumulate inside the cells of their tissues and exchange genetic material. Pigs are therefore ideal incubators for the evolution and spead of viruses, especially when their immune systems are weakened by being crammed together in the filthy pens provided by profit-seeking agribusiness. Over the years, many experts have predicted that the outcome would be pandemics of new diseases.

Nevertheless, the evidence for this version seems far from conclusive. There may well be earlier cases elsewhere that have not been traced. Smithfield systematically obstructs all investigation into its operations, but that proves nothing: no doubt there are many things that they want to hide.

So other possibilities cannot be ruled out. It is unwarranted to assume that the virus must have originated in Mexico because conditions there are more unhygienic than in the US. The pig factories in Veracruz and those in North Carolina are owned by the same firms and run in the same way.

According to *Online Journal*, a "top UN scientist" believes that the virus was released, accidentally or deliberately, from a biological weapons lab, inasmuch as certain features of its highly unusual structure are suggestive of genetic engineering. A possible source is the US Army Medical Institute of Infectious Diseases at Fort Detrick, Maryland. It was from here, for instance, that someone spread anthrax germs in 2001.

### **Prospects**

6

When the pandemic first hit the headlines, scientists

did not yet even understand the nature of the new virus and it was impossible to assess the severity of the danger. That did not deter some politicians and officials from reassuring the public and others from voicing the most alarming predictions.

To a large extent, the mixed responses can be explained in terms of divergent commercial and other interests. The reassurance is designed to avert panic and unrest, safeguard sales and exports of US and Mexican pork, protect the tourist industry and maintain business confidence. The alarmism serves the interests, above all, of the big pharmaceutical companies that produce antiflu drugs and vaccines.

Mass vaccination is not always an effective measure against pathogens susceptible to rapid mutation.

Moreover, the vaccine itself may be contaminated

with viruses. Thus, last December a lab of Baxter

International in Austria distributed vaccines

contaminated with live avian flu virus to 18 countries. The same company has now been commissioned by the World Health Organization to develop an experimental vaccine for the new flu.

Whatever the outcome of the current pandemic, it is safe to say that it will not be the last. On the one hand, meat factories and biological weapons labs continue to generate new pathogens. On the other hand, these pathogens are increasingly drug-resistant due to the indiscriminate use of antibiotics and other malpractices. It is only a matter of time before we find ourselves helpless in face of some new and much more fatal transspecies virus or bacterium.



### Preventing pandemics in socialism

Eliminating the profit motive will remove the major obstacle to the prevention of trans-species pandemics. Those responsible for food production will be able to give proper weight to environmental and public health considerations.

However, this may not suffice if socialist society were to commit itself to providing a meat-rich diet for most of the population. (Some people, of course, will not want such a diet.) Disease control may well require the abandonment of animal factories and a return to a more traditional type of farming. This is likely to reduce the supply of meat, although it will also enhance its taste and nutritional value.

Besides change in patterns of production and consumption, a shift away from reliance on air travel would help slow down the spread of new diseases and allow more time for research and countermeasures. (It would also reduce greenhouse gas emissions.) Work schedules might be coordinated in such a way as to give people the time they need to use and enjoy slower means of travel, interspersed as desired with participation in the life of local communities, including farming.

**STEFAN** 



### SIMON THE SOCIOBIOLOGIST PARENTHOOD REPRESENTS THINK ABOUT IT! IN MAN) YOU FEEL THAT HAVING IT'S HARD WORK BEING A CULTURES, INFERTILITY IS YOUR DEEP SUBCONSCIOUS CHILDREN IS THE MOST PARENT! THE THINGS WE NOBLE, ALTRUISTIC QUEST FOR IMMORTALITY. CONSIDERED A GREAT CURSE. HAVE TO DO. YOU WILL DIE YOUNG AND BEAR SELF LESS THING YOU YOU MAY WITHER AND BUT IT'S ALL SCHOOL CAN EVER DO. ACTUALLY NO CHILDREN" - WHAT COULD DIE, BUT THROUGH YOUR WORTH IT, EH? IT'S THE OPPOSITE POSSIBLY BE WORSE? GENES, A PART OF YOU WILL PREVAIL DOWN THE GENERATIONS ULTIMATELY, WE ARE JUST TEMPORARY TO REAR AS MANY YOUNG AS OR THINK OF POLYGAMOUS CONTAINERS FOR OUR IMMORTAL GENES. POSSIBLE, BUT INVEST MINIMAL SOCIETIES, - RICH MEN USING CARE, OR TO HAVE ONE OR TWO AND THE BEHAVIOUR WE EXHIBIT IS THEIR WEALTH AND STATUS DETERMINED BY THEM. WE DANCE TO CHILDREN, AND THUS MAXIMIZE TO SIRE AS MANY OFFSPRING THEIR TUNE. THEY MAKE SEX FEEL A PARENTAL NURTURING, ARE BOTH AS POSSIBLE. GREAT PLEASURE TO US ... AND THE PERFECTLY VALID EVOLUTIONARY PRICE WE PAY IS DEATH. REPRODUCE STRATEGIES, BY THE WAY. AND DIE! LIKE THE SALMON GOING UPSTREAM TO SPAWN HE IS IN EFFECT USING HIS BUT THERE ARE WAYS WE PERHAPS THIS RELATION OF SEX TO DEATH INCENUITY TO CHEAT ON HIS IS RECOGNIZED IN ALLEGORICAL FORM CAN ACTUALLY OUT WIT OUR GENES, SO TO SPEAK. TAKE GENETICALLY PRE DESTINED IN THE BIBLICAL STORY OF ADAM AND EVE. PROGRAMMING, ENJOYING CARNAL KNOWLEDGE IS GOOD, AND WE MR. JOHNSON HERE, WHO THE IMAGES OF SEXUAL MUST PAY FOR IT. AND PERHAPS BY I SAW EARLIER PURCHASING AROUSAL HARD WIRED INTO USING CONTRACEPTION, WE ARE RENEGING A PORNOGRAPHIC MAGAZINE OUR BRAINS, BUT WITHOUT ON THE DEAL ... WHICH IS WHY SOME AT THE NEWSAGENTS THE RESPONSIBILITY OR EFFORT RELIGIONS ARE SO AGAINST IT BUT I'M GAY! AND AH YES, THE ARTISTIC IMPULSE. ACTUALLY, I WAS BUYING THE DEEP ROOTED URSE TO SHOULDN'T GAY MEN THE MASAZINE FOR MY ERM, YEP. EXPRESS ONESELF CREATIVELY. FLATMATE. AND THESE BE A COMPLETE WE'RE STILL ARE JUST A FEW SKETCHES TO EARN, GARNER, RESPECT FOR EVOLUTIONARY WORKING ON I'VE BEEN WORKING ON YOUR INTELLIGENCE, DEXTERITY DEAD END? THAT ONE ... I'VE ENROLLED AT THE TALENT, COURT POPULARITY, AND ART SCHOOL THUS MAXIMIZE YOUR REPRODUCTIVE POTENTIAL WITH THE OPPOSITE SEX





### A GRATEFUL NATION?

"It is only when darkness falls on the streets of London that the plight of many veterans of the Armed Forces becomes fully apparent. More than 1,000 of them are homeless. Until a couple of months ago Ray (not his real name) was one of them living on the streets. He had enlisted in the Royal Green Jackets (Light Division) in 1993 and saw service in Northern Ireland. He left the Army in November 2001 but found civvy street a harsh place.... "You think after serving your time in the Army society will accept you," he says, "but they don't and no one helps." (*Times*, 25 April)

### **AMERICAN POVERTY**

"An estimated 3.5 million children younger than 5 are at risk of hunger in the United States, according to government numbers provided by an anti-hunger group. That's more than 17 percent of children who could suffer cognitive and developmental damage if they are not properly fed. The not-for-profit advocacy group Feeding America based its findings on 2005-2007 data from the U.S. Census Bureau and the Agriculture Department. The study, released Thursday, is the first to look at these numbers for children under the age of 5, according to the group. Feeding America runs food banks and feeding centers around the country. The study also shows that in 11 states, more than 20 percent of children under 5 are at risk of going hungry. Louisiana has the highest rate, with just under a quarter of children at risk, followed by North Carolina, Ohio, Kentucky, Texas, New Mexico, Kansas, South Carolina, Tennessee, Idaho and Arkansas." (Yahoo News, 7 May)

### **HARD TIMES?**

"Virgin boss Sir Richard Branson is reported to have lost 56% of his wealth, shedding £1.5bn and is now worth £1.2bn. Meanwhile, Formula 1 motor racing chief Bernie Ecclestone lost £934m, leaving him at £1.46bn, the list reported. The richest British-born billionaire is the land and property owning Duke of Westminster, who has seen his wealth shrink to £6.5bn from £7bn. In fourth spot are Ernesto and Kirsty Bertarelli: the former Miss UK winner and her husband have a £5.6bn fortune based on pharmaceuticals. Their fortune has shrunk by a relatively modest 12% over the year. But it is not all gloom the former boss of supermarket chain Morrisons, Sir Ken Morrison, has seen his fortune increase by 11%, making him worth £1.6bn. The wealth of Peter and Denise Coates, owners of Stoke-based online sports betting website Bet365, has gone up by 33%, to £400m. And Harrods boss Mohammed al-Fayed has benefited from a cheap pound - his fortune stands at £650m, up 17% on last year." (BBC Times, 25 April)

### **Contact Details**

### UK BRANCHES & CONTACTS

LONDON

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

**Enfield and Haringey branch** Thurs 21st May. 8pm. Angel Community Centre, Raynham Rd, NI8. Corres: 17 Dorset Road, N22 7SL email:julianvein@blueyonder.co.uk South London branch. 1st Tues. 7.00pm. Head Office. 52 Clapham High St, SW4 7UN. Tel: 020 7622 3811 West London branch. 1st & 3rd Tues.8pm, Chiswick Town Hall, Heathfield Terrace (Corner Sutton Court Rd), W4. Corres: 51 Gayford Road, London W12 9BY Pimlico. C. Trinder, 24 Greenwood Ct, 155 Cambridge Street, SW1 4VQ. Tel: 020 7834 8186

### MIDLANDS

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

### NORTHEAST

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

### **NORTHWEST**

8

Lancaster branch. Meets every Monday 8.30pm. P. Shannon, 10 Green Street, Lancaster LA1 1DZ. Tel: 01524 382380 Manchester branch. Paul Bennett, 6 Burleigh Mews, Hardy Lane, M21 7LB. Tel: 0161 860 7189 Bolton. Tel: H. McLaughlin.01204 844589

Cumbria. Brendan Cummings, 19 Queen St, Millom, Cumbria LA18 4BG Carlisle: Robert Whitfield. E-mail: rewcbr13@yahoo.co.uk tel: 07906 373975

Rochdale. Tel: R. Chadwick. 01706 522365

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

### YORKSHIRE

Skipton. R Cooper, 1 Caxton Garth, Threshfield, Skipton BD23 5EZ. Tel: 01756 752621 Todmorden: Keith Scholey, 1 Leeview Ct, Windsor Rd, OL14 5LJ. Tel: 01706

SOUTH/SOUTHEAST/SOUTHWEST

South West branch. Meets every two months on a Saturday afternoon (see meetings page for details). Shane Roberts, 86 High Street, Bristol BS5 6DN. Tel: 0117 9511199
Canterbury. Rob Cox, 4 Stanhope Road, Deal, Kent, CT14 6AB Luton. Nick White, 59 Heywood Drive, LU2 7LP
Redruth. Harry Sowden. 5 Clarence

Villas, Redruth, Cornwall, TR15 1PB. Tel: 01209 219293

### EAST ANGLIA

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

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.freeserve.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

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

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

### WALES

Swansea branch. 2nd Mon, 7.30pm, Unitarian Church, High Street. Corres: Geoffrey Williams, 19 Baptist Well Street, Waun Wen, Swansea SA1 6FB. Tel: 01792 643624 Cardiff and District. John James, 67 Romilly Park Road, Barry CF62 6RR. Tel: 01446 405636

### INTERNATIONAL CONTACTS

AFRICA

Kenya. Patrick Ndege, PO Box 56428, Nairobi. Zambia. Kephas Mulenga, PO Box

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

### ASIA

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

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

### EUROPE

Denmark. Graham Taylor, Kjaerslund 9, floor 2 (middle), DK-8260 Viby J Germany. Norbert. E-mail: weltsozialismus@gmx.net Norway. Robert Stafford. E-mail: hallblithe@yahoo.com

### COMPANION PARTIES OVERSEAS

World Socialist Party of Australia. P. O. Box 1266 North Richmond 3121, Victoria, Australia. Email: commonownership@yahoo.com.au Socialist Party of Canada/Parti Socialiste du Canada. Box 4280, Victoria B.C. V8X 3X8 Canada. E-mail: SPC@iname.com World Socialist Party (New Zealand)

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

World Socialist Party of the United States P.O. Box 440247, Boston, MA 02144 USA. E-mail: wspboston@covad. net





### No jam tomorrow either

There's a story told about a barber who displayed a sign outside his shop that stated "Free haircuts tomorrow". When someone came in the next day asking for a free haircut, the barber pointed to the sign indicating that the free haircuts were for tomorrow not today.

In the past politicians in power worked the same con. Work harder, pull together, make sacrifices today, they used to say, and in a few years you'll reap the rewards. Of course tomorrow never came. They are no longer saying this now. At least the Tory Leader, David Cameron, isn't. Addressing a conference of his party, he spoke of "the Age of Austerity" that we are entering (Times, 27 April) and the effects this was going to have on our standard of

He is of course in a difficult position. This time next year he expects to be Prime Minister, but one presiding over an economy that will still be in a depression and which will require severe cutbacks in government spending. He knows it just wouldn't be credible if he promised jam tomorrow.

Actually, despite Gordon Brown's claim to be spending the way out of the crisis - actually, trying to print his way out of it - there's already austerity today. As the Guardian reported on 27 April:

"More than half of British firms plan to freeze pay this year while one in eight are planning to cut workers' pay, the British Chambers of Commerce says today. The BCC says its survey of 400 companies across the country shows that 58% of businesses are planning wage freezes this year while 12% are planning actually to cut pay in response to big falls in inflation and falling profits. The survey hints at the danger of deflation in Britain, with prices falling on the retail prices index measure, which could tip into a downward spiral if firms cut their pay. Official data last week showed pay growth had plummeted to just above zero - the lowest on record." (www.guardian.co.uk/business/2009/apr/27/ uk-jobs-cuts-pay-freezes)

Meanwhile, unemployment is continuing to rise: "The UK unemployment total is now 2,215,000 - the worst figure since 1996. The Office for National Statistics also showed a fall in earnings by 0.4 per cent in the year to March, the first time this has ever gone negative" (Morning Star, 13 May. See also http://www.statistics.gov.uk/cci/nugget.asp?id=10).

The two are of course connected. Wages are a price, the price of the working skills that workers sell to employers, which like all prices is subject to the law of supply and demand. With growing unemployment and a stagnating economy demand falls while supply increases, so exerting a powerful downward pressure on wages.

If the economic commentators were honest, they would hail this fall in wages as one of the "green shoots of recovery" they are desperately looking for, since one of the conditions for recovery is that wages should fall. That's the way capitalism works and always has worked.

Socialist Standard June 2009

PUBLICATIONS ORDER FORM PAMPHLETS	Price and Qty
An Inconvenient Question: Socialism and the Environment	£2.00 x
From Capitalism to Socialism: how we live and how we could live.	£1.00 x
Africa: A Marxian Analysis	£1.50 x
Socialism as a Practical Alternative	£1.00 x
Some aspects of Marxian Economics	£2.00 x
How the Gods were Made	£1.50 x
Marxism and Darwinism by Anton Pannekoek	£1.50 x
How we Live and How we Might Live by William Morris	£1.50 x
The Right to be Lazy and other articles by Paul Lafargue	£2.00 x
Marxism Revisited	£2.00 x
Socialist Principles Explained	£2.00 x
The Market System must Go! Why Reformism doesn't work	£2.75 x
All the above pamphlets (25% discount)	.£15.00 x
BOOKS	
A Socialist Life by Heather Ball	£3.75 x
Are We Prisoners of our Genes?	£4.75 x
Socialism or your Money Back	£11.95 x
All the above books and pamphlets (25% discount)	.£30.00 x
DVD	
Capitalism and Other Kids' Stuff	£5.75 x
Poles Apart? Capitalism or socialism as the planet heats up	.£5.75 x
TOTAL	£
All prices include postage and packing. For six or more of any publication, reduce the price by one third.	
Return this form along with your cheque or money order The Socialist Party of Great Britain, FREEPOST, London, SW4 7BR, United Kingdom. (No postage necessary if mailed within the UK)	to:
NAME	
ADDRESS	
i 	
City	
CountyPostcode	
PHONE(optional)	
E-MAIL (optional)	

22/5/09 10:27:29



# Not So Honourable Members

The recent expenses scandal has confirmed that many politicians are just self-serving careerists but, even if they were all saints, it wouldn't make any difference to the way capitalism works

mid the uproar over the MPs' expense claims, we should not lose sight of an important fact. Unlike applying to be reimbursed for the cost of dog food or a swimming pool, much of what our representatives in Parliament do is a waste of time. Claiming to make us all more secure by controlling the economy they endlessly debate their Budgets, financial statements and regulations but when there bursts onto the scene something like a credit crunch - a recession, a slump - they are revealed as powerless to do more than mouth baseless analyses or predictions while capitalism grinds on its barbarous way.

It is much the same about crime as one government after another, on a promise to reduce the problem almost to elimination, churns out a legislative flood providing for more stringent penalties and to redefine some behaviour from legal to criminal. For example the Fraud Act of 2006 was designed to make it easier for the prosecution to get convictions for offences of fraud and increased the maximum sentence from seven to ten years. There is a certain irony about this

as it as it would have an effect on those Honourable Members who passed it into law but may find themselves in court for so profitably exploiting the loopholes in Parliament's system of allowances to claim for a non-existent mortgage or for making false declarations to the Customs and Revenue. Meanwhile crime continues to be a disfiguring problem, of an intensity which shows no significant evidence of being influenced by Parliament's professed attempts to control it; its origins lie outside the scope of such delusions.

### System

But of course the MPs have to believe that what they do is vitally important; otherwise their self-esteem would suffer such serious damage as to make it very difficult for them to discuss their own wages, extra allowances and working conditions – or rather their improvement. When, during the recent storm of protests over their finances they were being

questioned by nosey journalists, a common response was to blame the whole problem onto something they called "the system" which everyone knows to be sadly defective and in need of immediate re-ordering. This breathtakingly implausible argument ignored the fact that "the system" was itself the creation of MPs who, while often denouncing workers as irresponsible wreckers when they try to improve, or even defend, their living standards are allowed to better their own wages and the like. It also took no account that the discredited claims for the extra allowances breached the requirement - which was intended to give the impression of adequate safeguards - to be for "additional costs wholly, exclusively and necessarily " incurred in their work - which did not mean cleaning a moat or installing a home cinema.

### Mullin

In July 2001 Chris Mullin, the Labour MP for Sunderland, made himself unpopular by opposing a Commons motion to increase MP's wages by £4000, tabling an amendment to align rises with those for nurses,

teachers and the like. Mullin thought the opposition to his

Wazieicaiq

**Socialist** Standard June 2009

reform,





Chris Mullin

amendment was meant to approve the original motion on the nod, avoiding any debate and implicating all the MPs. Unsurprisingly he lost his amendment, the MPs awarded themselves the rise and an increase in the accrual rate of their pension from 50ths to 40ths - which Mullin furiously described as "shameless". It is not known whether he felt some grisly justification when, in the following year, the Tory MP for Windsor, Michael Trend, was suspended for two weeks after the Mail On Sunday revealed that he had claimed almost £90,000 in accommodation allowances although he lived in his constituency. Trend did not stand in the 2005 election and his successor in the seat, Adam Afriyie, is reported in the Daily Telegraph as not making any claim.

### McNulty

Another example of what might be moderately called double standards is Tony McNulty, Labour MP for Harrow. McNulty is known as a bruiser, someone to be relied on in the TV studios to dismiss any critic of the New Labour method of running capitalism as mad or malicious or both, hardly worth any attention from a Minister in the Department of Work and Pensions, with responsibility to crack down on anyone caught making false claims for state benefit. He recently declared that such people are "benefit thieves" who will be ruthlessly hunted down by use of developed technology and "face imprisonment, fines and other penalties. We will also make sure they pay back the money they have stolen...and seek to ensure any proceeds from their crime are confiscated too". However

Socialist Standard June 2009

McNulty has also been caught out not through any technological device but by simple journalistic trawling through Parliamentary records - in behaviour which some of his constituents might regard as a kind of theft, claiming almost £60,000 allowance for a house in Harrow which he owns but which he should not claim on because it is where his parents live. His home, which he shares with his wife, is in Hammersmith. All of this was in spite of the rule that all claims for the Additional Costs Allowances must be "above reproach" and not encourage any speculation that the object is "...benefiting from public



Tony McNulty

funds".

McNulty conceded that his claim may be "a bit odd" but justified it on the grounds that "everyone does it" - by which he presumably meant every MP, but not every benefit claimant. He was at first resistant to even paying back the money - although if he ever comes into court in the matter, as many people outside his constituency as well as inside it hope - to try to buy his way out of trouble in that way is unlikely to significantly affect the outcome. In any case he would surely be the last to suggest that he should be treated any more leniently than the benefit fraudsters he so zealously persecutes. That the scandal of parliamentary allowances has revealed so many MPs as devoted, persistent practitioners of the art of double standards should surprise nobody. For the reality is that the capitalist system which governments profess to be able to control is itself a massive, universal fraud on the majority of its people.

### **IVĂN**

# Problems and Solutions

Socialism won't be a problemfree society but it will allow problems to be dealt with rationally.

apitalism is a society beset by problems, from poverty, unemployment and homelessness to war, violence and insecurity. As the current recession shows, even those who consider themselves to be comfortably off and with a relatively 'good' job may still be thrown out of work with little notice. The housing market is in such a state that many people cannot sell their homes and estate agents are closing almost as quickly as pubs. The fact is that capitalism throws up problem after problem, and this is an in-built aspect of the system's operation.

Now, socialism will not be a society without problems. There will doubtless still be personal disagreements and dislikes, and natural disasters to disrupt the straightforward functioning of everyday life. But we can say with some assurance that the problems of socialism will be very different from those of capitalism.

We may distinguish two situations. The first consists of problems of capitalism which will simply not arise in socialism; the second of problems that socialism will be far better equipped to address and to solve than capitalism is.

All the economic difficulties of capitalism will automatically be things of the past in a socialist society. The idea that there could be people who want to work but are forced to sit around idle, while at the same time there are others who badly need the goods or services that the first group could provide, would be totally alien. There would be no unemployed building workers alongside homeless people or inhabitants of slums. No unemployed agricultural workers alongside the starving. Anyone who wishes to contribute to production will be able to do so, without considerations of profit and the market being of any relevance. Poverty will vanish in a society based on free access and production for use, and people will not starve while

continued on page 14



# Marx's Contribution to the Critique of Reformism

Marx wrote a book 150 years ago that shows why money exists today and how we can get along fine with out it tomorrow

Contribution to the Critique of Political Economy, first published in 1859, only consists of two chapters (apart from its famous Preface). Marx had intended it to be the first instalment in a massively ambitious project that was to include six separate "books" addressing, respectively, the topics of capital, landed property, wage labour, the state, international trade, and the world market. The first book on the topic of capital was to have included four "sections" dealing with: capital in general, competition, credit, and share capital.

In other words, the two chapters of *Contribution* ("The Commodity" and "Money, or Simple Circulation") are just the first "instalment" of the first section of the first book – to have been followed promptly by a second instalment that would move on to introduce capital, its circuit,

Things did not exact proceed according to the original plan, needless to say. Not only did Marx fail to complete the six books, he did not even publish the additional chapters on capital for the first section of Book one. This has led to scholarly debates over the degree to which the content of the three volumes of *Capital* – of which Marx only oversaw publication of the first volume – correspond to the six books he had first envisaged.

Even taken on its own, however, Marx's two-chapter book presents us with much of the knowledge we require in our effort to dispel the reformist illusions still so widespread today. The problem with reformism, as we can learn from *Contribution*, is not that it is overly pragmatic and insufficiently idealistic, but that it is thoroughly impractical and utopian, based as it is upon a surprising ignorance of the fundamental characteristics of capitalism as a society of commodity production.

### Proudhon undone

Marx viewed *Contribution* as a work with an important "polemical"

aspect. Yet any reader expecting the stirring rhetoric or vivid imagery of the sort found in The Communist Manifesto is sure to be disappointed. Instead of "A spectre is haunting Europe - the spectre of communism," the first line of Contribution is: "At first sight the wealth of bourgeois society appears as an immense heap of commodities; and the individual commodity as its essential determinate being." It is a wonderfully succinct sentence that explains why Marx must begin with the analysis of the commodity, but not likely to appear on many t-shirts or bumper stickers.

The "exceedingly serious and scientific air" of Contribution, as he described the book to his friend Engels around the time of its publication, was not the result of some erudite pose Marx struck, but because his analysis of the commodity and money deals with some of the most abstract elements of capitalist society. Marx told his friend that he hoped the scholarly style would oblige reviewers of the book to refrain from the usual "tendentious vituperation" "take [his] views on capitalism rather seriously." Unfortunately, as he would later complain to Ferdinand Lasalle, his views were neither attacked nor criticized in Germany, but "utterly ignored," which he thought was "bound to have a serious effect

on sales."
Yet Marx's primary interest was not the reaction from the scholarly world, or even the badly needed book royalties, but the

influence that *Contribution* would have on the socialist movement in Europe. He hoped the ideas in the book would help to wipe out the reformist fantasies that still clung to the movement; for the mid-nineteenth century, much like today, was an age when all sorts of self-styled "revolutionaries" were peddling commodity-production sludge in shiny new buckets labelled "Socialism."

12



particularly eager to expose the pseudo-socialist ideas of Jean Pierre Proudhon, then fashionable in France. Marx described "Proudhonist socialism," in a February 1859 letter to Joseph Weydemeyer, as the wish to "retain private production while organizing the exchange of private products, to have commodities but not money," insisting that "communism must above all rid itself of this 'false brother." Marx even told Engels, in July of that year, that if he were to review Contribution the first point to emphasize would be that the book "extirpates Proudhonism root and branch."

The way Marx uproots
Proudhonism in *Contribution*,
however, is not through a narrow
polemic aimed at that ideological
tendency alone, but rather by
means of a scientific analysis of
the commodity and money, which
reveals their inseparability and how
both forms characterize capitalism
as one particular historical mode of
production. So his analysis serves us
equally well today in our own efforts
to expose the fallacy of reformism in
whatever shapes it may take.

### The uncommon commodity

The term "commodity" is nearly synonymous with "product" these days, perhaps because we are so accustomed to the capitalist market economy. Yet Marx uses the term commodity in Contribution to refer specifically to products of labour that are produced for exchange, rather than to directly satisfy the material needs of the producers. As such, the commodity has both a use-value, as a thing that satisfies some human want, as well as an exchange-value, as something that brings to its owner money or another commodity of equal worth.

Use-value pertains to the properties of any product of labour as a physical thing. So use-value is not the aspect which specifically characterizes the commodity. From the taste of wheat," Marx writes, "it is not possible to tell who produced it, a Russian serf, a French peasant or an English capitalist." In any society, there is a need to produce useful things in order to satisfy human needs and sustain the society as a whole, but only under capitalism does the vast bulk of this material wealth take the form of commodities, as Marx points out in the first line of Contribution quoted earlier.

In short, use-value presents no great mystery, and is not even an actual economic form, so Marx sets it aside to concentrate on the aspect of the commodity that *does* characterize the commodity as such: exchange-value. The key question initially is: What determines the exchange-value of a commodity?

This is a question that had been posed already by Adam Smith – and later by David Ricardo – and Marx agrees with their fundamental answer, known as the "labour theory of value," which states that



Proudhon

the level at which a commodity will be exchanged depends upon the amount of labour expended for its production.

This theory is vital to an understanding of how capitalism functions as a commodity-production society. It shows that something – although *not* the conscious decisions of human beings – guides commodity exchange. Adam Smith famously used the expression "invisible hand" to depict this hidden force, but it seems more appropriate to speak of the *invisible hands* of the workers who labour to produce each commodity.

In Contribution, Marx develops the labour theory of value, arriving at a far clearer understanding of the labour "objectified" within the commodity to constitute its value, which he defines using such expressions as "uniform homogenous simple labour" or "abstract general labour"; and he also emphasizes that this labour is expended "under the generally prevailing conditions of production" in a given society. In short, we can say that the abstract time-time

socially necessary to produce a given commodity constitutes its value and fundamentally determines the level at which the commodity is exchanged.

The issue for Marx, however, is not merely how commodity exchange is carried out. He also ponders why labour under capitalism must take this materialized or objectified form (as the "substance" of value). And Marx begins to answers this question by introducing examples of production relations where labour does *not* take that form and products of labour do not assume the commodity form.

Marx notes, for instance, the example of medieval society, where "services and dues in kind" were performed directly to satisfy particular needs (albeit those of the feudal landlords), so that we are dealing with the "distinct labour of the individual in its original [concrete] form." Another example he gives, which corresponds in some important respects to socialism, is the "communal labour in its spontaneously evolved form as we find it among all civilized nations at the dawn of their history." In this case, the labour of each individual in the society is expended directly as one part of the overall labour, rather than the individuals each producing their own private products that are then exchanged as commodities.

Under commodity production, in contrast, the starting point is the labour "privately" expended by the various individuals who produce commodities for the market. Instead of the social relations between these individuals being clear from the outset, as in those two examples Marx raises, the producers are carrying out production in accordance with their own private aims and will. It is only when their commodities are exchanged that the producers first enter a social relation with one another.

This is why, under such social production, relations between human beings within production necessarily present themselves as relations between things (money and commodities). "Only the conventions of everyday life," Marx writes in Contribution, "make it appear commonplace and ordinary that social relations of production should assume the shape of things, so that the relations into which people enter in the course of their work appear as relations of things to one and another and of things to people."

People are so used to the relations of commodity production



that they find it difficult to imagine social relations of production that are not mediated by the exchange of commodities and money, which is one reason that reformist ideas manage to seem so pragmatic.

### **Demystifying money**

Marx's analysis in chapter one of *Contribution* shows us that it is only under specific social relations of production, where the starting point of production is privately expended labour, that products of labour will take the commodity form and that the labour expended will take the form of value. In other words, these are socially specific economic forms – not the reflection of some eternal state of human affairs.

And the same is true of the money form. Marx points out that money in fact "represents a social relation of production" and that the "all of the illusions of the Monetary System arise from the failure" to perceive this fact. Money only possesses its strange, magical power within certain social production relations.

Marx reveals the source of that power in Contribution by reducing the money form to the simplest form of value, where one commodity expresses its own value using the use-value of a different commodity. In that simplest form, "the usevalue of one commodity is brought into relation with the use-values of other commodities" so that the exchange-value of the commodity "manifests itself in the use-values of other commodities." This is no different than the value of a commodity being expressed in the use-value of the commodity gold. Instead of gold intrinsically having a power as money, Marx shows that the power stems from a specific relation in which gold (or some other commodity) becomes the physical embodiment of value, so as to give tangible form to the intangible element of value.

Marx further demystifies money by explaining how it is that a particular commodity is excluded from other commodities to become money. He explains this emergence of a single commodity - as the "universal equivalent" (money) as resulting from a contradiction confronting commodities in the exchange process, where "only by being realized as exchange-values can they be realized as use-values" and vice-versa. The way out of this "vicious circle" is the exclusion of one particular commodity as the universal equivalent, so that a

14

commodity owner can first exchange a commodity for that special commodity, which can be used to purchase whatever commodity is desired.

But it is not as if the commodity producers gather and debate which commodity should be chosen as that universal equivalent. "Money is not the result of deliberation or of agreement," Marx argues, "but has come into being spontaneously in the course of exchange." In any area of commodity exchange, historically speaking, there were always some commodities more frequently exchanged than others, such as fur, hides, rice, or cattle, to mention a few examples. By being exchanged for so many other different commodities, such "special" commodities would already bring those other commodities into a relation with each other, where their values could be expressed in the special commodity and they could also compare their values relative to each other via that commodity.

All sorts of commodities have played that role as "universal equivalent," but ideally, Marx says, the function would require a commodity with the physical qualities of "unlimited divisibility, homogeneity of its parts and uniform quality of all [its] units." These happen to be qualities that characterize precious metals, which accounts for why gold and silver eventually come to exclusively play the role of the money-commodity. "Although gold and silver are not by nature money, money is by nature gold and silver," is the witty way Marx explained this point in Capital.

It would require many more paragraphs to adequately explain these aspects of Marx's essential theory of money presented in *Contribution* – not to mention his explanation of the functions in money in chapter two – but the main point here is just to convey some idea of how well he grasps the profoundly social and historical nature of money and its inseparable connection to commodity production.

Reformists have trouble understanding that commodities and money only exist under specific relations of production, and this also accounts for their inability to imagine fundamentally different social relations where there is no need or room for those economic forms to exist.

### M. SCHAUERTE

### from page 11

food is exported. So all the problems of destitution, insecurity and worry will be gone, since these are created by capitalism's rationing of goods and its exploitation of the working class. Concepts like booms and slumps and recession and unemployment will have been confined to the history books.

Equally, war will no longer exist. With no contending countries and no ruling classes, there will be no need for vast armies making use of the latest weapons technology. Issues such as ensuring the availability of raw materials like oil will not arise, since they will be the common property of all the Earth's people. Resources, both natural and human, will no longer be wasted on killing and inventing new ways of killing other humans.

At the same time, there will be other problems which will exist in socialism. and for which the establishment of a co-operative commonwealth will not automatically provide a solution. Environmental issues would be a prominent example of this. Under capitalism, the profit motive and the short-term nature of planning combine to cause pollution and destruction of the environment. Socialism would be unable to simply stop interfering with the world we live in, since production of any kind assumes some sort of interaction with our environment. Nor can we say now how much mess capitalism will leave behind for socialism to grapple with. To what degree, for instance, will global warming have gone beyond the point of no return? How much oil will still be available, and how will energy be produced?

There are no easy answers to such ecological questions, and we cannot just dismiss them by saying that socialism will evince a concern for the environment that capitalism never can. Rather we can point out that satisfying human need and caring for the environment will be at the forefront of socialism's priorities. If they come into conflict, decisions will have to be taken about whether to emphasise one or the other in a particular case. The answers cannot be given yet, since we do not even know just what the questions will be. But from anything other than a capitalist perspective, caring for the world is part of satisfying human need, since we are part of the planet and must always live within it.

**PAUL BENNETT** 

Socialist Standard June 2009

22/5/09 10:27:31



The materialist conception of history was first outlined publicly 150 years ago this month.



## **Understanding history**

his year is the 150th anniversary of the publication of Darwin *The Origin of Species* but also of the publication of Marx's first economic writings after his more detailed study of the workings of capitalism, *A Contribution to the Critique of Political Economy*.

The Preface to this work contains a summary of Marx and Engels' materialist conception of history. Marx comments that during the course of his studies he reached the conclusion that the explanation of social development was not to be found merely in the realm of ideas but rather in the material conditions of life, and that a proper understanding of capitalism is to be found in economics. Marx then gives a condensed account of his key concepts and their likely relationships which provided the guiding thread for his historical research:

"The general result at which I arrived and which, once won, served as a guiding thread for my studies, can be briefly formulated as follows: in the social production of their life, men enter into definite relations that are indispensable and independent of their will, relations of production which correspond to a definite stage of development of their material productive forces. The sum total of these relations of production constitutes the economic structure of society, the real foundation, on which rises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the social, political and intellectual life process in general. It is not the consciousness of men that determines their social being, but, on the contrary, their social being that determines their consciousness. At a certain stage of their development, the material productive forces of society come in conflict with the existing relations of production, or - what is but a legal expression for the same thing - with the property relations within which they have been at work hitherto. From forms of development of the productive forces these relations turn into their fetters. Then begins an epoch of social revolution. With the change of the economic foundations the entire immense superstructure is more or less rapidly transformed. In considering such transformations a distinction should always be made between the material transformation of the economic conditions of production, which can be determined with the precision of natural science, and the legal, political, religious, aesthetic or philosophic - in short, ideological forms in which men become conscious of this conflict and fight it out. Just as our opinion of an

cannot judge of such a period of transformation by its own consciousness; on the contrary, this consciousness must be explained rather from the contradictions of material life, from the existing conflict between the social productive forces and the relations of production. No social order ever perishes before all the productive forces for which there is room in it have developed; and new, higher relations of production never appear before the material conditions of their existence have matured in the womb of the old society itself. Therefore mankind always sets itself only such tasks as it can solve; since, looking at the matter more closely, it will always be found that the task itself arises only when the material conditions for its solution already exist or are at least in the process of formation. In broad outlines Asiatic, ancient, feudal, and modern bourgeois modes of production can be designated as progressive epochs in the economic formation of society. The bourgeois relations of production are the last antagonistic form of the social process of production - antagonistic not in the sense of individual antagonism, but of one arising from the social conditions of life of the individual; at the same time the productive forces developing in the womb of bourgeois society create the material conditions for the solution of that antagonism. This social formation brings, therefore, the prehistory of human society to a close."

Discussions of this passage usually omit the first sentence above where Marx says the following "general result" served as a "guiding thread" for his research. This makes it clear that his theory of history is not a substitute for actual research. The materialist conception of history is a method of investigation, not a philosophy of history. Marx and Engels emphasised this point in their first explanation of their materialist (in the practical sense of the word, not in its acquisitive sense) outlook:

"Viewed apart from real history, these abstractions have in themselves no value whatsoever. They can only serve to facilitate the arrangement of historical material, to indicate the sequence of its separate strata. But they by no means afford a recipe or schema, as does philosophy, for neatly trimming the epochs of history. On the contrary, our difficulties begin only when we set about the observation and the arrangement – the real depiction – of our historical material, whether of a past epoch or of the present" (*The German Ideology*, 1846).

As Engels wrote: "the materialist method is converted into its direct opposite if instead of being used as a guiding thread in historical research it is made to serve as a readycut pattern on which to tailor historical facts" (Letter to

individual is not based on what he thinks of himself, so we cut pattern on which to tailor his **Socialist** Standard June 2009

22/5/09 10:27:32



Marx, 1861



Paul Ernst, 5 June 1890). And Marx emphatically rejected "general historico-philosophical theory, the supreme virtue of which consists in being super-historical". He poured scorn on a critic who:

"... insists on transforming my historical sketch of the genesis of capitalism in western Europe into an historico-philosophical theory of the general path prescribed by fate to all nations whatever the historical circumstances in which they find themselves in order that they may ultimately arrive at the economic system which ensures, together with the greatest expansion of the productive power of social labour, the most complete development of man. But I beg his pardon. He is doing me too much honour and at the same time slandering me too much"

(Letter to the editor of Otechestvennive Zapiski, November 1877).

Despite the numerous warnings, many commentators have concluded that Marx's theory of history, as set out in the 1859 Preface, is a form of productive forces (or technological) determinism. For instance, in his influential book GA Cohen claims that "high technology was not only necessary but also sufficient for socialism" (*Karl Marx's Theory of History: A Defence*, 1978). But socialism is not inevitable; the fatalism of determinism is fatal for the socialist movement which requires a politically active class conscious working class to achieve our self-emancipation as a class.

The 1859 Preface assumes the development of human productive forces throughout history, but this is not automatic or inevitable. In Marx's *The Eighteenth Brumaire of Louis Bonaparte* (1852) social and political development did not occur exactly as outlined in the 1859 Preface, but that was not the point. Marx's hypothesis showed the key concepts and where to look in researching the past and present. That study reaffirmed the importance of understanding the specific contexts of material circumstances and humans as agents of historical change:

"Men make their own history, but they do not make it as they please; they do not make it under circumstances chosen by themselves, but under circumstances directly encountered, given, and transmitted from the past."

If this looks like stating the obvious (apart from the sexist assumption), to some extent it is because of Marx's influence on public thinking about history. In his day prominence in historical writing was given to the role of ideas – for example, nationalism, freedom, religion – in explaining social development. This is still not unknown today and there are many who, explicitly or implicitly, reject the materialist theory of history for its revolutionary conclusions.

The 1859 Preface identifies certain well-documented "modes of production" found in history, whose constituents are "forces of production" (productive technology) and "relations of production" (economic classes). Present-day capitalist production relations involve minority class ownership of the means of life, which means the majority must sell their labour power for a wage, while production is geared to profit for the few. In feudalism aristocrats owned most of the land and peasants were tied down to that land by a host of restrictions, including the requirement that they did unpaid labour for their liege lords. There was slavery - where the bodies of the producers were the property of slave owners and were bought and sold like land or goods. The Asiatic mode of production (sometimes called "oriental despotism") was a system where millions of peasants were engaged under military pressure to raise water for the irrigation of crops. There were various types of primitive society – the key one being the primitive communistic tribal form, where localised common ownership was practised.

The actual correspondence between forces of production and relations of production takes place through the mediation of the class struggle and the balance of class forces – what Marx called "the respective power of the combatants" (*Value, Price and Profit,* 1865). For example, China's rise as a capitalist super-power has taken place mainly through the Chinese state's ruthless use of cheap and plentiful labour power, rather than advances in its productive technology. For the workers of the world the materialist conception of history is a vital tool in our emancipation, for taking informed political action to bring class-divided society to an end.

LEW



## cooking the books. The price of

### No growth area

On Wednesday 22 April, Alistair Darling, the Chancellor of the Exchequer, took his snout out of the trough for a while to deliver the budget speech. He ended it with what he must have thought was a brilliant soundbite:

"You can grow your way out of a recession. You cannot cut your way out".

Well, er, yes. A recession is a period when there is no growth, when in fact there is a fall in production, what the spindoctors called "negative growth". So, obviously, a recession comes to an end when growth resumes. The big question is: can a government do anything to make this happen?

But what is "growth" anyway? For government statisticians it is an increase in the Gross Domestic Product. GDP is made up of what capitalist firms invest + what consumers spend + what the government spends. For Marxists, the key part of this is capital accumulation, the part of profits that capitalist firms re-invest in production, the motor of the capitalist economy and which determines the level of consumer spending.

While governments can influence GDP - if only by increasing their own expenditure - they cannot do anything to increase capital accumulation. That depends on the amount of profits that capitalist firms expect to make, which in turn depends on market conditions, which government's can't control.

An increase in GDP brought about by an increase in government spending – which is the government's plan to get out of what Darling delicately calls "the recession" - can only come in long run out of profits, the source of funds for capital accumulation. In the short run it's only a statistical illusion. It doesn't increase capital accumulation and so doesn't result in growth in actual production..

Even here, though, Darling is not expecting GDP to go up until some time towards the end of next year. In the meantime, he estimated, GDP would have fallen by 3.5 percent. Not everybody agrees on this figure. In its latest guarterly Inflation Report published in May, the Bank of England "now

> expects that this year's slump will lead the economy to shrink by up to 4.5 per cent on its main view, marking the most brutal drop in GDP since 1946" (Times, 14 May). The 1946 drop was caused, it should be noted, not by an economic crisis, not by any actual fall in production, but simply by the government no longer having to spend money on fighting a war. Three monthly earlier, however, the Bank had been ever more optimistic than Darling, expecting a fall of only 3 percent.

> > Basically, they don't know. As Mervyn King, the Bank's Governor, "We may well

get a recovery that proves to be sustained, then again, we may not" (Times, 14 May).

True. And how very profound.

# "freedom"



ean Hodgson (above) sits in his room in the hostel where they are doing their best to help him recover from the past twenty seven years. Before he was sentenced for a murder which, it was eventually conceded, he did not commit, he stood a robust six feet tall and weighed in at 13 stone. Since then the years of "treatment" for a turmoil of conditions - angina, prostate cancer, schizophrenia as well as the global, persistent, untreatable stress of being locked up although innocent - have rendered him into this fragile, bewildered man . An unhappy man whose experiences tell a lot about this social system, how it responds to its characteristic tensions and does not easily contemplate the possibility that it has got anything so barbarously wrong.

"Freedom? It's lonely" headlined a recent article about him. He misses the congestion on the prison wings and he is disorientated by the abrupt absence of the repressive demands - so essential to an orderly prison - of going to bed, or wherever, when he is told and for all his actions to be conditioned with the same hostility. If he now wanted, he could spend all night on the streets. Except that all he can manage emotionally is a trip to the nearby 24 hour shop, or an unplanned visit to his solicitor. His symptoms are typical like the man who on release went to live with his girl friend but spent most of his time in the one bedroom which for its size and shape most closely resembled a prison cell.

If Sean Hodgson ever recovers in the sense of conforming to the life style commonly required of employment (which is doubtful - he says that his previous behaviour was such that "If I hadn't gone to prison I'd have been dead now, from the drugs") he will find that the disciplines he conforms to voluntarily are as demanding and arduous as many he contended with behind the prison walls. And, as the evidence of the emotional deprivations of everyday working life attests, being a "free" employee does not imply any access to a gregariously fulfilling lifestyle. There are tragically many people who live and work in the busiest of cities and are desperately lonely.

One type of company now available to Sean Hodgson which he is not grateful for was the attention of the tabloid press. His conviction, for





raping and murdering a woman, was very media-attractive. With DNA sampling he should have been released eleven years earlier but the records which could have been used in this were mislaid and it took a lot of work by his solicitor to unearth them. Which is probably why a reporter has been following Sean Hodgson around, talking to other people about him, trying to get a story - or make one up if need be. This, Sean said, made him feel "rotten". But he will have to learn, in his new "freedom", that the media is as motivated to sell its products profitably as is any other business, no matter what the cost of human suffering.

Sean Hodgson's time in prison was a comparatively placid interlude in a tumultuous life of addiction, crime and vagrancy. One who has been involved in many discharged prisoners with similar problems gives a gloomy prognosis: "...they all follow a pattern. I haven't known any who haven't either been suicidal or wanted to go into jail after a year". A great deal of capitalism's resources have been expended, over a very long time, to moderating such problems through what is called the criminal justice system. Sean Hodgson is only the latest example of the obdurate failure within that assumption.

### **IVAN**

Our thanks for some of the material in this article to Aida Edemariam and her report in The Guardian on 29 April

### **NEW DVD**

Poles Apart? Capitalism or Socialism as the planet

heats up



with contributions from Glenn Morris, Arctic Voice, and Brian Gardner, The Socialist Party. Recorded digitally at Conway Hall, London, 2008.

£5.00 per copy + £1.25 P & P. Send to the Audio-Visual Department, c/o Head Office and allow up to 21 days for dispatch.

### **Prejudice**

### A true tale from a kebab shop

I WAS serving a regular customer; a person who is showing me a lot of respect. The boss of the kebab shop doesn't like it when I talk to the customers because he thinks I am his slave and that I should behave like a robot. He came over and he told me, "Serve him quick and don't talk to him; he's gay", but he spoke in his language so the man wouldn't understand.

The gentleman, he felt something is wrong and he said to me, "Is everything all right?" The Boss answered, "Yes Mike, everything is all right." The man, he said, "I'm not Mike, I'm Howard," I explained him that the boss means "mate" but he can't pronounce it. Howard smiled and said, "thank you" to him and he left a two-pound tip for me then went out, but he left his umbrella. My Boss took the tip and told me, "I'll buy a bulb for your room." I said, "This is my money. That man he always leave a tip." But the Boss is a hard man who treat his workers like slaves, so I say to him, "If you want to take it why don't you buy toilet paper? I have a bulb in my room." Then to patronize me he said, "Maybe you like to join Mr Howard tonight" with winking his

At this point two people came in, each holding a bottle of beer. They were big chubby men with bald heads and they were so drunk that they couldn't control their movements. They are shouting, "Fucking foreigners" to each other so my Boss said to me, "Be very nice with them. If they said, 'Fuck you', your answer will be 'thank you very much, do you like anything else?" I told him, "I can't do that and I can't serve them", so he said, "When they have ordered, you do the order - I'll speak with them.'

The men came up to the counter and one of them said, "Why did you come here, fucking donkey shagger?" The boss in his pronunciation, said, "Calm down, mike." The man replied, "Fuck off, I'm not Mike, I'm Nick" and the other one he says, "They come here to shaq young girls and marry them to get citizenship.

The Boss, who thinks he is a great important man, couldn't get rid of two bullyboys. He said, "No mike, I'm a religious person; it is not in my culture to shag girls." This makes the second man very angry and he shouted, "He's not Mike you c\*\*\*." And then he says to the Boss, "So you're Muslim?" and he replies that he is. This drunk man then said. "I thought you lot weren't supposed to eat pork, why are you selling it then?" The Boss says back to him, "That's business."

Now the first man is more angry even than the other one and he threw

his bottle and it breaks into pieces; spread over the shop, and he said, "You got a problem, Mohammed?" The Boss said to him. "I am not Mohammed. I am Mustapha, my friend". The first drunk man shouted, "He's not your friend, he's my friend." The boss, he replied to him. "Ok. mate." But he said "mike" again because he cannot pronounce, "mate". This man, he was very drunk, he said to him, "My name's not fucking Mike. Fuck you!" The boss he say, "Thank you very much, what you like?"

The second man say, "That's what he calls his donkey when he's shagging it!" Then he was holding onto the counter and he was pretended to be having sex that way; like Mustapha and his donkey, called Mike. He was saying, "Oh Mike, oh Mike". At this moment Howard comes back for his umbrella. He realised there is something wrong and he becomes a mediator between my Boss and them when he explained to them when he saving to you "Mike" he is means "mate".

Before the two boys leave the kebab shop one of them says to the Boss raising his voice, "The customer's always right Mike!" The boss said, "Yes, yes, yes". Howard advised him he should call the police. The Boss says "many times event like that happened to me - when I call police they come too late and when they come they accuse me instead of them." I said, "And we are all fucking illegal immigrants and by their police law we are the crime-makers.

Howard said, "I understand now. Good luck for you." and he left the shop. I say to the Boss, "Now can you see?"



The latest edition of Imagine, the Socialist Party of Canada's journal, is out now. Cheque or money order for £1 (including postage) to The Socialist Party, 52 Clapham High street, London SW4 7UN.

Socialist Standard June 2009

18





Capitalism makes arranging production more complicated than it need be.

worked to support our life; worked to catch, grow and produce our food, to make our shelter, our clothes and our tools, in general to satisfy our needs. In groups tasks were shared and communities developed by dividing labour cooperatively according to expertise and free will. All worked both for themselves and the common good whilst partaking of the benefits accrued.

We still work to support our life but now money is a crucial factor, an artificial intermediary between labour and the satisfaction of needs, enabling labour to be exchanged indirectly for all manner of goods and services. We now require money whether working within the community or outside it. We do our work as farmer, builder, designer, cook or computer operator using our particular skill, the difference now being we are probably working away from our community and contributing little to it except socially in our spare time and often it isn't the precise community of our choice but the one we can afford in monetary terms. Moreover, we work most of our life for an employer or series of employers who pay us more on paper than our net salary or take home pay with the remainder being passed on to various government agencies which, in turn, give us some back as health care, unemployment pay and various benefits and pensions as time, situation or entitlement dictate.

Without workers there is neither a product nor a service to sell and therefore no money is generated for the system, no money is generated to produce profit for the capitalists. Also, without worker input neither national nor local governments have money

of their own. They are financed only by what they collect from employers in direct taxation and deductions for employees gross pay and from indirect taxes. The tax on employers comes from profit remaining after paying their bills and invoices for utilities, goods, raw materials, other overheads and the wages bill, all of which profit has been generated by the workforce. The deductions from employees' pay also comes from the surplus generated by the workers but it forms a part of the overall sum that the employer is prepared to pay for the labour rendered.

Net pay is what is deemed sufficient and appropriate according to the type of employment. The difference in amount between gross and net pay, that which is utilised as deductions, (all of which is paid by the employer), is a deal struck between government and employers with some negotiation by trades unions on behalf of the employees. (The employee always striving for a larger remuneration in opposition to the employer looking to reduce it as much as possible.)

Gross pay, to a certain extent, appeases workers because they perceive themselves to be earning more than they are, although they generally believe they are being robbed on a regular basis, seeing a considerable amount clawed back from what they maintain they have rightfully earned. Statistics show that what is transferred from gross pay to the Inland Revenue and the National Insurance scheme more or less goes back to workers as various benefits and payments.

Defence, policing, health, education and roads, and the wages of the whole hierarchy of "public servants" from Prime Minister and Lord of the Admiralty to lowly office clerk, ambulance driver and teaching assistant all come ultimately from the surplus workers generate for their employers as profits. The

same goes for all the buildings and upkeep of the same, for the heating, lighting, cleaning, furnishings and all materials, vehicles – in fact everything used in their operations from stealth fighter to paper clip.

Today's capitalist world is much more complicated and intertwined than that of our ancestors. We rely on international trade for many commodities and use ultrasophisticated technology to allow us to track transactions worldwide. technology which, in theory, should simplify most matters, yet somehow we have become entangled in an overcomplicated web from which it is difficult to see a way out. Some say there is no way out of the present system. Our worker may disagree. If workers accept that they have to work in order to live their life - and the vast majority do - does that mean that we also have to accept the incredible complications that capitalism and working for money involve (and that have certainly led to the miserable times many workers are now suffering in the latest financial crisis)? Can we not simply produce things directly for use, working for ourselves and the common good too, knowing that others will be doing the same?

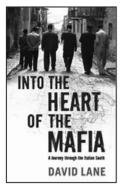
Those who work - those who produce the useful things and provide the useful services – are the lynch pin, the vital component. They are indispensable. The capitalist, the employer is dispensable. Removing layers of unnecessary top-heavy bureaucracy, removing any necessity for taxation by removing the blight of money is the far simpler way. The nurse will tend the sick, the plumber will ensure no leaks, the farmer will provide food and the unemployed will no longer be unoccupied for there is much to be done cooperatively within all our communities. And plenty enough, too, for all to partake of the fruits of our collective labour.

JANET SURMAN

### **Book Reviews**

### Guns and protection

David Lane: Into the Heart of the Mafia. Profile £15.



I didn't expect a book on the Mafia to be all that interesting or relevant, but in fact Lane's investigation can be interpreted as shedding some light on the operations of capitalism.

Italy became a unified state fairly late on, in 1861, and the south of the country was for a long time isolated and barely under the control of the central government in Rome. As a result, a sort of private police force filled the vacuum and administered its own kind of 'justice'. Basically, a set of thugs and gangsters, they evolved into the Mafia, a term which covers at least the Cosa Nostra in Sicily, the Camorra in Campania and the 'Ndrangheta in Calabria.

Their activities now include robbery and murder, loan sharking, extortion and protection money. Anything that involves money-making attracts them, such as the university in Messina on Sicily, which is the town's biggest business. The construction industry, and public works in general, is another area where the Mafia can extract money. It's estimated that about half of the £24 billion paid for reconstruction after an earthquake near Naples in 1980 ended up in the hands of the Camorra. Burying toxic waste with no regard for the environmental consequences also brings in big profits. All this goes on with the connivance of many in business, government and the Catholic church.

The south of Italy still represents a relatively unattractive place for companies to invest in, since a return on investment requires a level of security that is mostly lacking. Capitalism, then, needs its version of law and order, and the Mafia-controlled regions are a clear demonstration of what can happen when this does not exist.

For the working class, the consequence of Mafia rule are dire, with very high levels of unemployment and high drop-out rates from school. With legal jobs hard to come by, many are attracted to work for the Mafia. Someone who

20

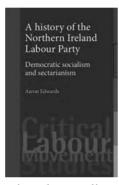
then wishes to break free may be killed as a warning to others. At the same time, though, members of agricultural cooperatives farming ex-Mafia land show a great deal of courage in resisting sabotage and intimidation.

As one of Woody Guthrie's songs says, 'Some will rob you with a six gun and some with a fountain pen'. There is more than one way for workers to be exploited and oppressed, and the Mafia are the way of the six gun.

PF

### Labour loyalists

A History of the Northern Ireland Labour Party: Democratic Socialism and Sectarianism. By Aaron Edwards. Manchester University Press



The reference in the title to 'Democratic Socialism' might well have been an acceptable tautology on the part of the author or, as it frequently is, a manifestation of

misunderstanding of the meaning of socialism. In the case of this author's work (it was quickly demonstrated not only that he has peculiar ideas as to what represented socialism, but in dealing with the political events in Northern Ireland that are the background to his narrative, he is, also, below par regarding the acceptable nature of what passes for democracy in liberal bourgeois society.

The term 'socialism' was first used to define an alternative form of social organisation to capitalism. There already existed alternative political and economic suggestions for treating the myriad problems associated with capitalism but within the consensus of those who used the term 'socialism' was the conviction that such suggestions were inadequate or unworkable. What was required was the total dismantling of the system of class monopoly of the means of life and its replacement with a system of common ownership and free access to goods and services.

The more politically coherent elements among the reformers, liberals and trade unionists that formed the British Labour Party in 1906 would have accepted the need to *replace* capitalism with socialism but they thought they could circumvent the essential need to create a democratic socialist consciousness to achieve that purpose. Instead they would, by an ongoing and gradual process, reform capitalism out of existence. Their error is transparent in the bunch of self-seeking careerists and ruthless authoritarian Labour politicians currently grasping with yet another of the crises of capitalism.

Following the partition of Ireland by the British government in 1921 some disparate elements from a Northern Ireland community deeply divided into forms of conditioned politico-religious hatreds re-energised residual Labour support under the banner of the Northern Ireland Labour Party (NILP). The Party would have attracted the same elements as the British party but would have carried the baggage of political and religious division within its ranks. Contrary to Edwards contention it never made a class analysis of Irish politics; instead it joined the wardhealing process while nervously tiptoeing its way through the minefield of tribal divisions that were the political stock-in-trade of everyday political life in its territory.

Still, those divisions were reflected acutely within the NILP. Catholics, who almost exclusively suffered the tyrannies of the notorious Unionist government's Special Powers Act (a sort of Complete Dictator's DIY kit) as well as discrimination in employment and social housing, wanted a determined stand against these evils which would seem good political fodder for a reformist group. In this work the author further betrays his ignorance of socialism as well as his ambivalence to democracy by his sympathy with the NILP leadership's view that a fulsome condemnation of anti-Catholic practices might alarm potential Protestant voters who supported these evils.

In the late 1940s, having failed to achieve meaningful political kudos from its fence-sitting position the Party openly adopted a Unionist position. Ulster Labour, it proclaimed was British Labour. In a display that would have rivalled that of the National Front, Labour election platforms, in Unionist areas, were festooned with Union flags, which traditionally was the banner carried by the Orange mob. The decision caused a major split in the Party; Catholics, reflecting the same political ignorance as their erstwhile 'comrades', formed the Irish Labour







Association (long since demised) predictably under the banner of the Irish tricolour. Curiously, no mention of this latter happening is found in the book.

In the 1950s the NILP won four seats in the Northern Ireland House of Commons. The new MP's were all men, proclaimed as good men on the strength of their Protestant fundamentalist faith. Eventually, as traditionalist Nationalist politics went into terminal decline before more strident Catholic demands for the democratisation of the Northern Ireland state, there was an influx of Catholics back into the NILP. Again the Party's internal unease surfaced: the Catholics more and more favouring direct action against the Stormont regime in which Labour's four holy men were comfortably ensconced to the extent where one had accepted a white-washing position with the government.

The prelude to open sectarian conflagration in Northern Ireland left the gaping sectarian wounds of the NILP increasingly exposed and finally inflicted their coup de grace on its squalid political corpse. Edwards intones the requiem with the acknowledgement of numbers of its members cosying up to the sectarian murder gangs; a measure of what they had learnt in the NILP. His belated obsequies will find little sympathy with genuine socialists but should serve as a warning for those who put political expediency before principle.

Edwards is a Senior Lecturer in Defence and International Affairs at the Royal Military Academy, Sandhurst.

RM

### **Unequal society**

The Spirit Level: Why more equal societies almost always do better. Richard Wilkinson and Kate Pickett. Allen Lane, 2009.



The main theme of this book, as summarised in its subtitle, is that people living in less unequal societies almost always do better than those living in more unequal societies. This

unsurprising theme is spelled out in the nine chapters in the middle part of the book dealing with the costs of inequality in various areas of life and society: community life and social relations; mental health and drug use; physical health and life expectancy; obesity; educational performance; teenage births; violence; imprisonment and punishment; and social mobility.

The first part of the book—titled Material Success, Social Failure—is an uncontroversial, even anodyne commentary on where we are now. Material success is a privilege of the minority: "the least well-off people even in the richest countries sometimes find themselves without enough money for food."

Socialists are more likely to be interested in what the authors have to say in Part 3, A Better Society. Wilkinson and Pickett present themselves as good people with good ideas writing of the "need to create more equal societies able to meet our real social needs." I particularly like the cartoon they reproduce of a rich, portly father explaining to his small son, "It goes in cycles, Junior. Sometimes the rich get richer and the poor get poorer. Sometimes the rich get richer and the same."

But the authors are really not as radical as they pretend. They like the charitable, friendly society, mutual, credit-union side of capitalism more then the openly profit-seeking side. They want a nice capitalism, not a nasty one. So when it comes to "what can be done?" they list reforms like "plug loopholes in the tax system, limit 'business expenses', increase top tax rates, and even legislate to limit maximum pay in a company to some multiple of the average or lowest paid."

SRP



### Picture Credits

cover: Pigs: © 2006, Creative Commons Attribution 2.5 license. Malnourished child, Nigeria: © 2005, Mike Blyth, GNU FDL p2: Planck space telescope: 2009 European Space Agency. Cash: 2007, www. lasvegasvegas.com, CCA ShareAlike 2.0 p6: Swine flu virus - Centers for Disease Control and Prevention, USA. P10: Credit cards - © Lotus Head, Creative Commons Attribution ShareAlike 2.5. Attribution ShareAlike 2.0 and Attribution ShareAlike 1.0 p12: "Marx at work" - www.sunpoint. net/~solidkom/kuvia/kuvia.htm. **p20:** Mafia book - www.profilebooks. Ireland book - us.macmillan.com. **p21:** Spirit level book: imomus.livejournal.com. p24: Council estate: 2009, Chemical Engineer, Public Domain

### Meetings

### **Summer School**

Harborne Hall, Birmingham, **Friday 26 to Sunday 28 June** 

A WEEKEND OF TALKS AND DISCUSSION ON REVOLUTION: THE THEORIES, THE PAST, THE FUTURE

This year's speakers and talks are as follows:

Gwynn Thomas: RESISTANCE FROM BELOW: RIOT, REVOLT AND REBELLION IN THE PRE-MODERN WORLD

Adam Buick: THE RUSSIAN REVOLUTION: A MODEL NOT TO FOLLOW

Andy Davies: BUILDING A WORLD SOCIALIST CONSCIOUSNESS

Janet Surman: THE ROAD TO NOWHERE

Simon Wigley: THE SOCIALIST REVOLUTIONARY PROCESS

Arrival is from 4.30pm on Friday, and the event finishes after lunch on Sunday, at around 2.30pm.

All welcome, including non-residents.

### **East Anglia**

Saturday **11 July 12-4pm**Branch Meeting
Reindeer Pub, 10 Dereham Road.
Norwich.

### **Manchester Branch**

Monday **22 June**, 8.30 pm 'Can Socialism Solve the Problems of Capitalism?'

Unicorn, Church Street, City Centre

### **Lothians Discussion Group**

(under the auspices of the Socialist Party's Edinburgh Branch)

Venue: ACE, 17 West Montgomery

Place, Edinburgh

Every 4th Wednesday of the Month

Time: 7.30pm-9.00pm

Contact:

Fraser Anderson: Fraser@prolerat.org Jimmy Moir: jimmy@prolerat.org

### Labour, Lib-Dem, Tory



The Socialist Standard examines their case



### **Robert Barltrop**

FORMER MEMBER Robert Barltrop died on 26 April after a short illness. He joined the SPGB in 1946 as Robert Coster. A prolific speaker and writer for the Party, his work including the pamphlet Schools Today (1959). He resigned in 1959, before drifting into the fringes of the anarchist movement, and for a time even became an independent local councillor before rejoining the Party in 1970. He wrote prolifically for the Socialist Standard (and drew its first ever cartoon-strip feature), also serving for several years on the editorial committee. He left again in 1982.

Born in 1922, in his youth, he was, amongst other things, an enthusiastic boxer, and always retained an interest in the pugilistic arts. He worked as a schoolteacher. He was an excellent artist, especially line drawing, and an expert in calligraphy. Very proud of his London heritage, he wrote several books on the cockney patois, a pride also reflected in three short autobiographical works published by Waltham Forest Library and in his regular weekly column in the Newham Recorder. He also notably wrote a book on the American author Jack London.

He was best known though for his work *The Monument* (1975), which remains a fascinating and entertaining introduction to the history of the SPGB. The book was largely written in the 1960s while he was out of contact with the Party, which explains the contentiousness of some of its many stories, anecdotes and perceptions.

Robert Baltrop was a controversial figure in the Party but he was always very civil to younger members who had not crossed swords with him politically. With him vanishes a great London character.

KAZ

### Socialist Standard

Bound volumes (2005-2007) for £25 plus postage, each, order from HO, cheques payable to "The Socialist Party of Great Britain"

### The Snoopers



A FURORE arose recently in the readers' letters column of the *Daily Mirror*, when an article revealed that there were thousands of people employed by Finance Companies whose job it was to snoop into people's lives, and report on would-be hire purchase customers' credit reliability ( . . .)

Most people look upon snooping as an unsavoury occupation, but do not see where the real unsavouriness lies. This kind of activity is an essential part of property society, a society which provides even more unsavoury occupations, such as the policeman who breaks strikers' heads with his truncheon, or the soldier mangling workers of other countries. The jobs themselves are not likely to ennoble the characters of the performers, but this is not the main issue. They are carrying out a necessary function of an irrational and harmful social order, and one which exemplifies the sheer idiocy of the social organisation.

What sensible reason can there be for an arrangement whereby some workers produce goods, other workers advertise them, yet more workers arrange them in gaudy shop-windows, more workers fill in hire purchase forms, even more run the complicated accounting and collecting system of the finance companies, some more occupy their time snooping into the buyers' lives, others add up the bosses' profit, a few store it away in bank vaults, and finally, a tiny section of the population live more than comfortably on the proceeds?

Surely a simpler and less wasteful arrangement is called for? Why should a vast number of people have to perform useless and frustrating tasks, in order to satisfy the selfish wishes of a ruling clique? Yet it is working people themselves who perpetuate this foolish system: who do the useless tasks as well as the useful; the unproductive as well as the productive.

The trouble is that the alternative, a world of common ownership and common effort, is frightening in its simplicity. It seems too easy to be true. Nevertheless, true it is. It's as simple as that!

(from an article by A.W.I. in the Socialist Standard, June 1959)

### **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**

22

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 wil 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.

22/5/09 10:27:34



### A different kind of politics

Politics has become a dirty word, but that's because we leave it to professional politicians.

ost political groups today use the word "socialism" to refer to a brand of Leftist politics advocating things such as nationalization of industries, higher taxes for the rich, greater participation of trade unions in government, more spending on social programmes, and greater control of the economy by the state. These so-called socialists of the Left, in common with all the other political parties of the Right and the Centre, look at all the world's problems - hunger and malnutrition, poverty, unemployment, epidemics, war, genocide - and they tell us none of them can't be solved by putting them in charge of the system. If only they could change the laws, set the budgets, and liaise with the other world leaders, they say, things would be better. And so we vote these politicians into power - again and again - and still, over the decades and centuries, the problems are still with us.

However, the Socialist Party is not a party of the Left, and doesn't advocate any of their political reforms. When we talk about socialism, we mean one thing and one thing only: a world-wide, democratically organized system of society without states, leaders, markets, and money. We believe that society at large, not governments or a small minority of private owners, should own and control the means of producing and distributing wealth. We believe that production of goods and provision of services should take place not for profit but rather directly to satisfy human needs. We believe that labour should be voluntary, not coerced, and that people should have free access to the goods produced by society. This isn't the mere tinkering with taxation and budgets and laws which is all the other political groups want to do---what we want is a fundamental, revolutionary change in the way society is organized.

What exactly do we mean when we talk about the means of producing and distributing wealth being owned in common? By "the means of producing and distributing wealth", we're not talking about personal possessions like your house or your clothes or your toothbrush. Rather, we're talking about the forests, farms, mines, and oceans from which natural wealth is extracted; the factories in which it's processed; the transportation networks, such as roads and railways, that carry these goods across the Earth; and the distribution centres, such as warehouses and department stores from which we collect these goods for our own use. Currently, all these things are owned and controlled by a tiny minority of the world's population. If these owners can't find out a way of turning a profit out of the sale of the goods, then they don't get produced or distributed, no matter how much people need them. This is why millions of people all over the world have little or no access to the food, water, medicine, and shelter they need to stay alive. It's not because we lack the resources or the capacity to produce these things, but because it's not profitable to do so.

On the other hand, capitalism seems to be very good at churning out loads of goods that nobody needs at all. Instead of finding out what it is that people need and then producing the goods to meet that need, a large part of energy in our present society is focussed on coming up with all manner of new gadgets, gimmicks, and other shoddy merchandise, and then convincing people that

Socialist Standard June 2009

they need them. The entire system is back-to-front! You just can't walk down the street today, or turn on the television or radio, or open a newspaper or web page, without being constantly bombarded with billboards, commercials, banner ads, inserts, leaflets, coupons, sandwich boards, posters, stickers, infomercials, and spam, all trying to convince you that you need to buy whatever hyped-up product du jour they're flogging. A lot of the time these products are of such inferior quality that they don't work as advertised, or end up breaking after a few months or years.

In a socialist society, though, all the means of producing and distributing wealth would be democratically owned and controlled by society at large. That means that every one of us would have the right to participate in decisions about how to organize the production of goods and services. And in any sane technologically advanced society, there is no reason why the sole object of production would not be simply to meet people's self-determined needs with the very best goods we know how to make. This would entail an end to buying, selling and money. We already have the resources and the technology to supply every single human being on this planet with all the material goods that they need for a comfortable, pleasant, enjoyable life. All we lack is the system of society that would permit this to happen.

So how do we establish this new system of society? The Socialist Party does not believe in achieving socialism through coercion or through violent seizure of power by a revolutionary vanguard. That's no basis upon which to build a fair and democratic society. No, the only way that socialism as we understand it could be set up and run is through the consent and cooperation of an overwhelming majority of the world's population. And the only way we will know once there is such a majority is when it says so via the ballot. It is then, and only then, that we will know that the time is ripe for socialist revolution. It is then that we can start dismantling the coercive machinery of government and start taking control of the things we need to make society function in our own interests.

Capitalism cannot meet the needs of the majority of the people in the world. It does not today, and it never can, no matter how much well-meaning politicians might try to make it. Rather, we are asking you to understand and agree with our analysis of why the world is the way it is today, and why the entire world-wide system of capitalism needs to be replaced with socialism.

TRISTAN MILLER



23



### The Failure Of Reformism

The Socialist Party have always argued that a policy of reforming capitalism by a series of legislative acts while leaving intact the basis of this class-divided society is doomed to failure. The Labour Party and other reformist organisations have maintained that this is the only way to deal with social problems. So what do these reformers make of the following report? "Millions of people have been condemned to live under "social apartheid" by 30 years of poor housing policies, a damning report on council estates will say this week. The 107-page report, to be published on Friday, condemns successive governments for pushing poorer people into what it condemns as "social concentration camps" set away from private housing, jobs and shops. Children born on such estates are more likely to end up unemployed, suffer mental health problems and die younger than their counterparts in private housing, says the study by the Fabian Society. ... According to the Fabians, children bought up in social housing now have far fewer life chances than half a century ago, because they are concentrated on increasingly ghettoised estates. Those born after 1970 in council homes are twice as likely to suffer from mental health problems than those born in 1946 in public housing, 11 times more likely to be unemployed and not in training or

**Not So Boastful Now** 

Not so many years ago it used to be the boast of industrialists and politicians alike "What is good for General Motors is good for America". This simplistic mantra was always trotted out in defence of capitalism during the post war boom of US industry and trade but supporters of US capitalism will have to look elsewhere for consolation today. "General Motors, North America's biggest carmaker, reported a \$6bn firstquarter net loss and an accelerating cash drain on Thursday, underlining the pressure it faces to gain concessions from stakeholders or face bankruptcy. The troubled automaker warned that prolonged uncertainty over its financial condition risks creating a vicious circle of shaky consumer confidence and falling production and sales." (Financial Times, 7 May) It is in no sense in a "told you so" mood that socialists note the boom and slump nature of capitalism has asserted itself once more. After all it is our fellow workers in the US and elsewhere who will have to bear the prospect of unemployment, re-possession and insecurity. What we ask the working class to do is to consider the socialist alternative to this mad market system. We asked you to do so during the boom. We continue to ask you to do so during the slump.

### The Failure Of Labour

One of the illusions fostered by the Labour Party is that for all its shortcomings at least it is better than the Tories, but recent evidence seems to point out that even this modest claim is erroneous. "That relative poverty - the gap between rich and poor rather than the absolute

> availability of basic necessities - should be higher than it was when Harold Macmillan was prime minister is a galling discovery. The Institute for Fiscal Studies, a sort of non-partisan unofficial opposition

party equipped with massive brainpower, tells us that the distance between our richest and our least fortunate citizens is as high as it has been since their data starts, in 1961. Which leaves open the possibility that Brown's Britain may be more unequal than we were before the creation of the NHS and the modern welfare state." (Independent, 8 May)

### **World Poverty**

From time to time everybody receives a charity appeal. It may be posted through your door or a leaflet in a newspaper. We

receive so many of them that we tend to become a bit blasé about the whole charity thing, but a recent appeal from the Plan charity contained some particularly harrowing



statistics. "It's a tragic reality that one in five children born in the poorest countries won't live to see their 5th birthday. ...600 million children worldwide live on less that 70p a day - that's ten times the UK population. Working for more than 70 years and with over 100,000 child sponsors in the UK alone, Plan aims to help more children realise their full potential - and improve the lives of future generations." Despite the sincerity and undoubted humanity of the Plan people the problem has got worse in the last 70 years. Workers contributing a pittance to relieve the problem of world hunger is pointless. What we need is a transformation in the basis of society to one where all food, clothing and shelter is produced solely to satisfy human needs not to make a profit.

education, and nine times more likely to live in a household where nobody has a job." (Independent, 3 May) It is somewhat

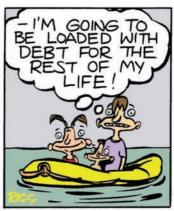
ironic that this report has been prepared by the Fabians - an organisation whose very basis is one of a policy of reformism!

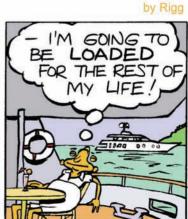


### Free Lunch









ISSN 0037 8259

Produced and published by the Socialist Party of Great Britain, 52 Clapham High Street, London SW4 7UN