

socialist standard



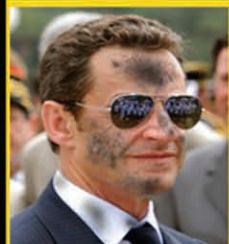
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Journal of The Socialist Party of Great Britain - Companion Party of the World Socialist Movement

JUST WHEN YOU THOUGHT THEY CARED ABOUT CLIMATE CHANGE, WORLD LEADERS PRESENT

THE TOWERING INDIFFERENCE



We review the premier all-star opening spectacular at Copenhagen



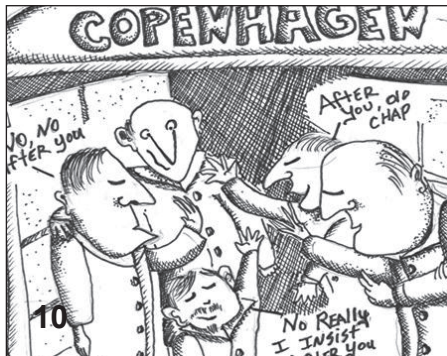
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THE SOCIALIST PARTY OF GREAT BRITAIN

The next meeting of the Executive Committee will be on **Saturday 5 February** at the address below. Correspondence should be sent to the General Secretary. All articles, letters and notices should be sent to the editorial committee at: The Socialist Party, 52 Clapham High street, London SW4 7UN.
tel: 020 7622 3811
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Introducing The Socialist Party

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

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

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

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

Editorial

Capitalism and the New Decade

TWO THOUSAND years ago Emperor Nero reputedly stood on the private stage he had had built in his palace and played music while his city burnt around him. A thousand years later Copenhagen's King Canute tried to command the tides to impress his subjects. Plus ça change: last month, despite intensive efforts, the expensively-assembled representatives of global capitalism spent two weeks in Copenhagen fiddling while the planet warmed and the sea-level rose.

But despite appearances to the contrary, capitalism enters a new decade in rude health. The economic disruption to production and the credit system of the last two years may have been severe, but it is a necessary consequence of the need for the market system to maintain its essential objective, that is profitability at all costs.

Against that imperative, millions of jobs globally are being sacrificed. The spending promises of politicians around the world are being revised and reforms abandoned. Schools, housebuilding and hospitals are shelved as a consequence of the massive diversion of financial resources into propping up the house of credit cards that drove capitalism for much of the last ten years.

The decade started with a mini-slump in most western economies - relating to the high-tech and internet sectors primarily - and has ended with an almighty "correction". Politically the decade also started with global capitalism in some apparent disarray as protesters closed down the WTO trade talks in Seattle in the last days of the 20th century and in the process gave birth to a movement of sorts under the banner of anti-globalisa-

tion and (less commonly) anti-capitalism. These back-slapping/back-stabbing summits have been a regular occurrence over the last ten years as the political whores who serve the interests of the global pimp class battle it out over their respective pitches.

And so the much-heralded Copenhagen climate change conference in December all but collapses. Despite their best effort, our leaders, decision-makers and opinion-formers (various democrats, dictators, corporate flunkies, sycophants, charities, popstars and other hangers-on to the coat-tails of capital) singularly failed to find a way to reconcile the differences between the old (developed) capitalist nations in decline and the developing nations on the up. It's like picking sides in an argument between the neighbour on one side who has always thrown their rubbish out the window onto the street, and the other neighbour who is threatening to start doing the same. Capitalism in 2010 may have fewer emperors and kings, and its subjects are becoming harder to impress, but the end result is much the same.

The last ten years then have seen an undoubted decline in confidence in leaders and in "capitalism" (albeit loosely defined). Entering 2010, the task of socialists - and anyone sympathetic to the case for a radical, democratic, participative change in society - is to further undermine the shaky ideology of capitalism, to challenge the ideas which encourage the majority to continue propping up this system, and to clearly put forward the case for a moneyless, wageless, stateless and classless global society.

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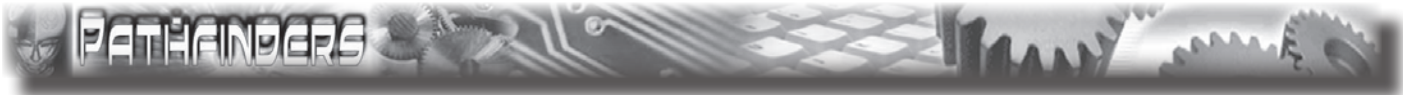
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Top of the Pop Charts

While the Cop15 delegates were largely copping out at Copenhagen recently, one fairly relevant aspect of the world's dire whether forecast (that is, whether we survive or not) scarcely rated a mention, which was the question of global population. This oversight was duly noted by the Chinese delegation (*China Daily*, 10 December) which, possibly anxious to offset western criticism of their tactics at Copenhagen, seized the opportunity to justify the country's unpopular and repressive One Child Policy as a positive contribution to global emissions reduction. The news report quotes research by postgraduate student Thomas Wire of the London School of Economics: "Each \$7 spent on basic family planning would reduce CO2 emissions by more than one ton whereas it would cost \$13 for reduced deforestation, \$24 to use wind technology, \$51 for solar power, \$93 for introducing hybrid cars and \$131 electric vehicles." Such research will no doubt bolster China's already unparalleled enthusiasm for reducing its, and other countries' populations, either by birth control or firing squad.

There's no question that population growth is going to pass the carrying capacity of the planet at some point. The world is currently pushing 6.8 billion people and if you go to the website of the Optimum Population Trust at <http://www.optimumpopulation.org/> you can watch the ticking counter go up at the rate of two per second. David Attenborough, a patron of this trust along with Jane Goodall, James Lovelock and other notables, takes the same doomsday view (Horizon Special, BBC1, repeated 5 January) as that other famous patron and author of the 1968 book *The Population Bomb*, Paul Ehrlich.

Socialists have often criticised Ehrlich's view in the past, in particular his claims, written prior to the flowering of the Green Revolution of the 1970s, that population had already outstripped food capability and that hundred of millions would starve to death. But as food yields have gone up, so have populations, and the argument is not going to go away. Global population by 2050 is estimated at between 9.2 and 10.6 billion (<http://www.un.org/popin/>), with most of the growth occurring in the least developed countries, while in developed countries there is a steady decline in fertility and death rates. Population is likely to be a factor in the resource wars we can expect to see in the next century.

Ehrlich, the Trust, and David Attenborough in the Horizon programme all argue the same simple view, that the population growth rate can be slowed or reversed by just two factors, contraception and education. This view has the benefit of being uncomplicated by questions of culture, politics or religion and thus palatable to the broadest audience, but is it true? Yes, says John Guillebaud, emeritus professor of family planning and reproductive health at University College, London, who argues that conventional wisdom, which says that couples in poorer societies actively plan to have large families to compensate for high child mortality, to provide labour, and to care for parents in their old age, is wrong. According to Prof Guillebaud, half of all pregnancies worldwide are accidental conceptions rather than insurance policies, and demand for contraception increases when it is available, regardless of a society's wealth or child survival rates: "The evidence is clear within a wide variety of settings that - despite no prior increase in per capita wealth or child survival or other presumed

essentials - demand for contraception increases when it becomes available, accessible, and accompanied by correct information about its appropriateness and safety." (<http://www.optimumpopulation.org/releases/opt.release26Mar09.htm>).

One wonders how the professor knows that fifty percent of all children are accidents, but population growth rates do indeed seem to correlate roughly in inverse ratio to the rate of birth control, if one compares figures (see http://www.un.org/esa/population/publications/contraceptive2007/contraceptive_2007_table.pdf).

However, to imply from this that the issue is simply a practical 'numbers game' with no ethical or political dimension is a bit contra-perceptive. The UN estimates that over 200 million women worldwide lack access to effective contraception, but it is not necessarily because it is unobtainable, but because religion opposes it or men refuse to use contraceptives. Globally it is women who take responsibility. The number one method of contraception worldwide is female sterilisation, IUDs are second, the pill third, and male condom use is number four, and mostly confined to Europe and Japan. Meanwhile, as is well known, the Pope and his ilk have been going around sub-Saharan Africa helpfully telling locals that condoms spread AIDS (TimesOnline, March 17, 2009). Thus at the least there are gender and religious issues to be addressed.

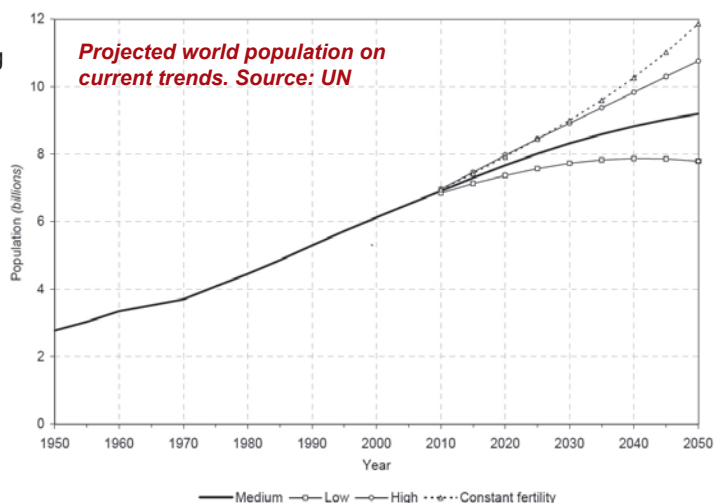
And let's get population numbers into perspective. It used to be said you could fit the world's population comfortably onto the Isle

of Wight. Well, times have changed, and one enterprising commentator has recalculated this figure to show that, as of October 2007, you would have to add in the Isle of Man, as well as Jersey and Guernsey (<http://www.ampneycrucis.f9.co.uk/PARK/Population.htm>). As of 2010 you would need to start on the Scottish islands as well. But the basic point remains the same - humans don't take up that much space by themselves. It's what they do with the rest of the space that counts.

And that is a political issue, because capitalist rich countries demand far more space and resources than poor ones, and rich people far more than poor people even within rich countries. Carbon emission footprints also increase in lock-step with income, not population. Though population growth is clearly not sustainable long-term, it is made a much worse problem because of the disparities in wealth and consumption that capitalism causes.



Birth rates: grey areas are rising (3 to 4 births per woman), dark areas are rising fastest (over 4). All other areas are stable or falling. Source:pregnantpause.org.



Debt

Dear Editors

The prophetic words that capitalism would create its own gravediggers can be interpreted in many ways. It may be understood to mean that, as a result of exclusion from the enjoyment of the fruits of their labour, a growing number of the population will rise up, enlightened and intellectualised, and revolutionise its dynamics to alter our direction, aims and desires; we hope towards socialism.

It could also be interpreted to mean that through its failings, inefficiencies and uneconomical ways, that it may self-destruct, that it becomes apparent to all, impossibly illogical even, that it must without doubt be surpassed in face of any remnant of opposition that may linger in the nooks and crannies of its many alleyways.

It may be bits of both of these. It is probable that it is bits drawn from the many other facets of life within capitalism. No doubt.

What is becoming increasingly apparent is that its very ‘rules’ if we may call them that, are losing the ability to defend and provide justification for its continuance. One such that has been discussed at great length, possibly more so than at any other time, is that of debt. We are told that our nation’s debt is of such magnitude that we should all prepare for many hard years ahead. That we will prevail over this debt but only by taking hard choices, there will be no easy option and many may suffer, but together we will defeat debt.

Now, if we can just for the moment try not to conjure up the image and inevitable analysis of ‘debt’ becoming an outside ‘alien’ thing, out of our sphere of control – rather absurdly in much the same way that wars or terrorists are often spoke of – and consider their grand solution to it by seeking to increase its availability, we may welcome its arrival and the simple opportunity that it provides.

We can now talk of debt as a bad thing – as a sign of failure. All of us wish we had less of it. Yet it remains of central importance to us; we are told the system cannot do without it, and it cannot. We can explore the idea that as it fails, inevitably and repeatedly, that debt can no longer provide a means to progress. We could say that its day has come and it has had its day. It would appear an easy argument to win: debt is bad therefore do not enter into it.

Would this argument be entered into it would surely prove difficult to disprove. If debt, as it surely does, represents in their language a ‘fault’ of capitalism then let us explore it further. In no time at all it would lead into a cul de sac for it seems in their own words as far as debt is concerned ‘There Is No Alternative’. So what – we might then ask – is on offer?

Damian McCarthy (by email)

Reply:

It is true that defenders of capitalism get themselves into a glaring contradiction over debt, blaming the crisis on too much debt and then advocating creating more debt to try to get out of it. But a distinction needs to be drawn between the “National Debt” and the personal debts of individual workers. The so-called “national” debt is what the capitalist state owes its creditors, who are mainly other capitalist institutions of one kind or another. As you point out, its size is now being bandied about as an excuse to justify even more austerity for the working class. But this is only an excuse for what they always want to do anyway. If it didn’t exist, they’d find some other excuse. Its size is their problem, not ours. We can, however, use it, as you suggest, to bring out the contradictions of capitalism. If all capitalism has to offer is more austerity in a world of potential plenty, let’s get rid of it –*Editors.*

State capitalism?

Dear Editors

I read with interest your commentary on the socio-economic system that evolved in the former USSR in the November issue of the *Socialist Standard* (“Workers State – Pull the Other One”). Absent was the discussion developed by the Socialist Labor Party of America that for me offers the clearest explanation (albeit of a muddled situation) of what happened, taking into account the Trotskyist, Maoist, (not mentioned in your commentary) and that of vanguardist apologentsia. The SLP study rejects the “state capitalist” appellation and concludes that the most accurate description is “bureaucratic state despotism”. As the pamphlet concludes:

“The mode of production Marx analyzed has a different mode of formation, different laws of operation and a different structure than the one in the Soviet Union. The effort to describe the U.S.S.R in terms of

capitalist seems to be a substitute for making the same kind of thorough analysis of this new mode of production that Marx made of the dominant one of his day.” (page 46) This commentary can be found on line where the entire pamphlet can be read or downloaded.

Bernard Bortnick (by email from the US).

Reply:

As the article was a review of a book about the Trotskyist Ernest Mandel it is reasonable that it mentioned neither Maoist nor SLP theories of the nature of the former USSR. Russia could be described as having been a “bureaucratic state despotism” but that’s a political description that tells us nothing about the “mode of production” that existed there. The 1978 SLP pamphlet *The Nature of Soviet Society* you mention (www.slp.org/pdf/others/sov_soc.pdf) does go into this in more detail, arguing that what existed there was neither socialism nor capitalism nor a “workers state” but “a new class society based on state property”. But it did concede that “it is possible to attempt a Marxist analysis of the USSR and similar systems as state capitalist” and that “the most coherent state capitalist theories” hold that Russia can be termed capitalist “because the basic elements of the capitalist mode of production survive, though in modified form” and that these theories “point to the existence in the Soviet Union of wage labor, commodity production (i.e., production for exchange in a market), the extraction of surplus and its control by the state owners of productive property, the perpetuation of class divisions and state oppression”. Yes, precisely.

In theory Russia might have evolved into some new exploitative class society. The basic reason we described it as still being capitalist was the continued existence there of the wages system, the basis of capitalist exploitation, not to say of capitalism –*Editors.*

Labour, Lib-Dem, Tory



The Socialist Standard examines their case

Xenophobia in Russia

Informative letter from Russia on the extent of nationalist, xenophobic and even fascist prejudices



Skinheads in Russia

AFTER THE collapse of the Soviet Union – a despotic empire that in many ways preserved the most reactionary traditions of tsarist Russia – the shameful phenomena of chauvinism and xenophobia not only did not disappear, but became even more deeply entrenched. There are a whole series of reasons for this.

First of all, the so-called “democratic revolution” of August 1991 was neither democratic nor a revolution. The old state apparatus continued to exist. The previous ruling class – the nomenklatura or state bourgeoisie – remained in power and divided up state property among themselves, becoming its “legal” and openly private owner. At the same time, the old pseudo-left, pseudo-communist demagoguery was thrown out as superfluous.

It is quite obvious that the “new” owners have no need of any human rights, freedom or democracy. On the contrary, the powers that be want “strict order” and a “firm hand” to safeguard their own security and that of their property. The ideologies most suitable for this purpose are nationalism, chauvinism and xenophobia.

Our criminal bosses have been more than successful in instilling these ideologies, especially in recent years. Officialdom and the church drum “patriotism” into people’s heads. Combined with the growth of social problems and the dirty war in Chechnya, all this yields extremely poisonous fruit. According to various sociological studies, democracy is an important basic value for only 10 – 15 percent of respondents. A very large part of the population, perhaps a majority, wants a dictatorship established in the country. Something like 80 percent of our fellow citizens suffer (to varying degrees) from racist and nationalist prejudices, especially against people from the Caucasus and Central Asia as well as blacks and Jews. Over half of our people feel distrust, contempt and hatred for foreign countries – in particular, for the United States and Western Europe.

All this is very alarming. It is also very frightening that in a recent poll 41 percent described skinheads and other members of Nazi groups as patriots, guardians of order, people trying to solve real problems, or simply as fighters for the purity of the race. Only 19 percent had a

categorically negative attitude to them.

Chauvinist, racist, xenophobic and antisemitic literature is produced on a massive scale. It is on sale everywhere, even in kiosks at the State Duma. Can you imagine Nazi literature being sold today at the German parliament? No? It’s hard to imagine here too.

A couple of years ago I saw an unforgettable scene outside the main post office in Moscow. A stall with three piles of books, all luxury editions. On the right – Hitler’s *Mein Kampf* in Russian. On the left – a collection of the works of the Marquis de Sade. In the middle – an antisemitic book by the “great writer of the Russian land” Alexander Solzhenitsyn entitled *Jews in the USSR and in the Russia of the Future* – written, it appears, in 1968 but until now hidden from the wider public. An amazing spectacle!

Such things are going on in our country everywhere. I have the impression that this sort of propaganda is conducted purposefully and encouraged from above. Even newspapers that are traditionally considered “democratic” are becoming statist and conservative. However, there are no genuinely democratic media outlets in Russia.

Literally all the propaganda to which we are exposed, including that of the “opposition”, portrays reactionaries, great power nationalists and fascists as “left-wing”. They would have us believe that the Communist Party of the Russian Federation – full from top to bottom of people who talk about saving Russia by beating the “Yids” and “aliens” – is a communist or left socialist party. According to the means of mass disinformation, the fascist bloc “Homeland” (*Rodina*) is also supposed to consist of “leftists” of some sort.

There is and can be no such animal as a socialist, communist or leftist who is also a traditionalist, chauvinist, xenophobe, antisemite, racist or nationalist. These are absolutely incompatible things!

The popular weekly *Arguments and Facts* recently featured (over two issues) an enormous interview with the fascist Ilya Glazunov, who went on and on about the Masonic Conspiracy and the Great Russian Empire. Without the tiniest critical commentary, of course. Perhaps this was an example of what Vyacheslav Kostikov (Yeltsin’s former press secretary), in another issue of the same magazine, calls “the rational and healthy Russian nationalism that we need.”

Even the politicians of the “liberal” *Yabloko* party – I have talked personally with a number of them – frankly describe themselves as Russian nationalists. When I saw fascists from Russian National Unity distributing antisemitic literature at a *Yabloko* event I asked the organizers why they allowed it. Their response to my objections was to call *me* an extremist and I was forced to leave. Such are our present-day “democrats.”

Vladimir Sirotnin, Moscow (translated by Stefan)



Tiny Tips

While the world has been devouring reality television shows, many Argentines have been opting this Christmas for reality board games, such as *Eternal Debt*, involving the International Monetary Fund:

<http://tinyurl.com/yeavzt3>

For seven years, Jennipher was forced to breastfeed the puppies of her husband's hunting dogs. After drinking and smoking heavily, Nathan Alowoi would appear at the marital bed, bind his young wife's legs and hands together and force the mewling animals to her nipple. He had handed over two

cows to his father-in-law as part of the "bride price" for his new wife. So, he reasoned, if the cows were no longer around to provide milk then his new purchase would have to provide for the pups. "I had to feed them all through the night; then in the morning he would untie me," his wife, now 26, explains matter-of-factly:

<http://tinyurl.com/ye9m9wj>

Israel will begin distributing its entire population with gas masks in two months, though no reason has officially been given by the Israeli government:

<http://tinyurl.com/yegqkvu>

Most Britons have little confidence in official statistics and believe that they are distorted by politicians, according to

a survey for the *Financial Times*. Only about 10 per cent of adults believe that official figures are accurate, while a similar proportion think that figures are produced without political interference, according to the survey conducted by Harris:

<http://tinyurl.com/y8smtlt>

That isn't stopping some restaurants from putting together the usual intricate New Year's dinner — and in some cases, charging astronomical prices. At New York's *Aureole*, for example, diners will be getting a five-course meal including big-eye tuna sashimi, chestnut ravioli, Canadian lobster, and N.Y. strip loin. The price: a mind-boggling \$650:

<http://tinyurl.com/ycuyxge>



Another Labour failure

“Labour’s strategy for tackling poverty has reached the end of the road and Britain risks a return to Victorian levels of inequality, according to a major two-year study seen by *The Independent*. With 20 per cent of the population still stuck in poverty, the report calls for sweeping reform of the tax and welfare systems under which higher earners would finance more generous, universal benefits. The £43,888-a-year ceiling on national insurance contributions (NICs) would be abolished, so people earning more would pay NICs at 11 per cent on all their income above that level, instead of the current 1 per cent. The study, by the Labour-affiliated Fabian Society and Webb Memorial Trust, argues that Gordon Brown’s ‘quiet redistribution’ of wealth now lacks public support – and declares that one of the reasons is Labour’s tough language about benefit fraud and claimants.” (*Independent*, 30 November)

Ten wasted years

“Poverty has been rising in the UK since 2004 and is now at the same level as the start of the decade, a report by the Joseph Rowntree Foundation says. The group said that issues of unemployment and the repossession of homes had become more acute before the recession started. ... The report, produced by the New Policy Institute, found that two million children lived in low-income, working households. This was the highest figure since the Foundation started collecting records.” (*BBC News*, 3 December)

The other 1 percent

“According to consultants AT Kearney, the richest 1pc in the UK hold some 70pc of the country’s wealth. That there is this divide between rich and poor is not exactly new – but the scale of it, and the likelihood that it is not being narrowed by the financial crisis, is a big worry. Indeed, according to the report, in the US the amount of financial assets owned by the richest 1pc in the US is far, far lower at 48pc, and only 34pc in Australia. This must, to a large degree, be due to the fact that the UK set itself up in recent years as a haven for the super-rich, with its relatively generous rules on capital gains tax, because the income tax system itself is rather more redistributive than in the US. But the Kearney report is interesting because, unlike the traditional measure of inequality, the gini coefficient, it focuses not on income (the flow of money) but on actual substantive wealth (the stack of it that sits beneath us).” (*Daily Telegraph*, 25 November)

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 14th and 28th. 8pm. Angel Community Centre, Raynham Rd, N18. Corres: 17 Dorset Road, N22 7SL. email: julianvein@blueyonder.co.uk

South London branch.

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

West London branch.

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

Pimlico.

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

MIDLANDS

West Midlands branch. Meets every two months on a Sunday afternoon (see meetings page for details). Tel: Tony Gluck 01242 235615. Email: tonygluck111@btinternet.com

NORTHEAST

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

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Lancaster branch. Meets every Monday 8.00pm. P. Shannon, 10 Green Street, Lancaster LA1 1DZ. Tel: 01524 382380

Manchester branch. Paul Bennett, 6 Burleigh Mews, Hardy Lane, M21 7LB.

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

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

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

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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. Email: richard.donnelly1@ntlworld.com

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cooking the books

State Monopoly Capitalism

DAVID CAMERON is on record as attacking 'markets without morality' and 'capitalism without a conscience'. It's all part of his attempt to rebrand the Tory party from the openly nasty party it was under Thatcher to a caring party, in the hope that this will bring in a enough votes to win the next election. One of those he has called in to help do this is a former theology lecturer, Phillip Blond, who the media have dubbed a 'Red Tory' for his critique of 'unfettered capitalism'.

According to the *Times* (25 November), Blond "argues that successive governments sought to deregulate for the sake of market competition, but ended up creating monopolies that dominate Britain's high streets, arguing that this created 'state-sanctioned monopoly capitalism'."

'State monopoly capitalism' was a term employed, indeed coined, by the old Communist Party. For instance, in the 1968 edition of their programme *The British Road to Socialism* they stated that "Stage by stage British capitalism has developed into monopoly capitalism... Monopoly capitalism, the basis of imperialism, has now developed to state monopoly capitalism where the capitalist state is intertwined with the great banks and monopolies" and called for "a broad popular alliance drawing on all those whose interests are threatened by state monopoly capitalism".

Although this 'broad alliance' was envisaged as including non-monopoly capitalists, it has to be admitted that there was a difference between this and what Blond has in mind. They wanted to go on to 'state-monopoly capitalism' such as then existed in Russia, whereas he wants to go back to a non-monopoly capitalism with lots of small and medium-sized businesses competing against each other.

Actually, 'monopoly capitalism' is not an accurate description of present-day capitalism. Certainly, most sectors of production and distribution are dominated by a small number of large companies, but this is not a monopoly situation where there is only a single seller. It is rather what economists call an oligopoly situation, domination by a few big companies (from *oligos*, the Greek word for 'few').

So, a more accurate description of modern capitalism would be 'oligopoly capitalism', even though the term sounds barbarous and is not likely to catch on (but 'oligarch' did).

Marx identified a built-in tendency under capitalism towards 'oligopoly', though he called it the concentration and centralisation of capital, a trend which has been amply borne out as, through mergers and take-overs, the number of firms in all sectors of industry has become fewer and fewer. It is this trend that Blond wants to reverse. As do the Green Party and the former editor of the *Ecologist*, Zac Goldsmith, who will be standing as a Tory candidate in the coming general election.

They won't succeed of course because the concentration and centralisation of industry corresponds to the logic of capitalism and cannot be overcome by government action. If the Tories win, the most that would happen is that steps would be taken – or rather would be continued – to stop any one oligopolistic firm becoming too powerful. Other capitalists don't like this as it allows the firm in question to hold them to ransom and make them pay over the odds for some product or service. Which is why there is trust-busting legislation in the US and a Competition (formerly Monopolies) Commission in Britain. But no government is going to try to break up the oligopolies into smaller, more competitive firms, whatever the small business element within the Tory party might dream about. State-sanctioned oligopoly capitalism will survive.

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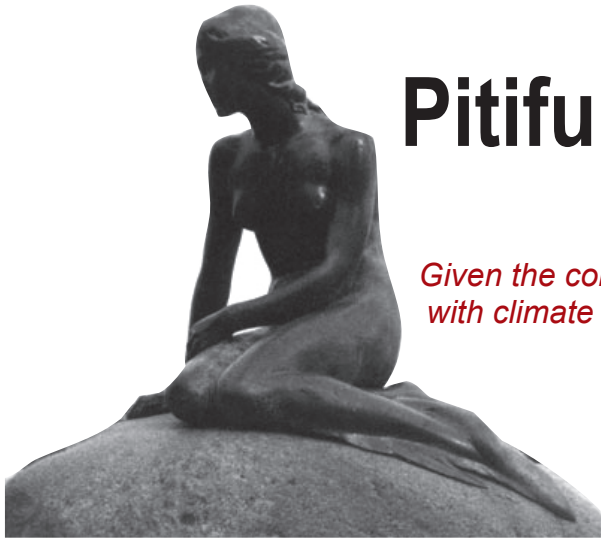
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Pitiful Copenhagen

Given the competitive nature of capitalism any agreement on trying to deal with climate change was bound to be feeble and inadequate.

If we were living in a rationally organised world, and a problem such as the threat of a too rapid global warming arose, a coordinated global response would be organised as a matter of course. If it was generally agreed amongst scientists specialising in the field

seeking to make a profit by supplying some market or other. Certainly, the United Nations exists but it is only the arena in which these vested interests jockey for position and advantage, as was too plainly evident at the UN conference in Copenhagen last month on climate change.

The media concentrated on the differences there between the developed capitalist countries (misleadingly



that the problem had been caused mainly by the burning of fossil fuels, then steps would be taken to cut this back and to phase in alternative sources of energy. The problems encountered in doing this would only be technological, not political or economic, as there would be no vested interests manoeuvring and lobbying to prevent or delay what needed to be done from being done.

But of course we are not living in a rationally organised world. We are living under capitalism where there are vested interests galore – of the states into which the world is artificially divided, of the capitalist corporations

called “the rich”, as if everybody there was rich) and the developing capitalist countries (cynically, but accurately, called “emerging markets”). The representatives of the newer capitalist countries argued that as the long-established capitalist countries had been responsible for the past emissions of CO₂ that scientists say is causing global warming, they should pay the cost of putting this right.

This is what the arguments there were all about – who is to bear the burden of cutting back on CO₂ emissions? It wasn't just a North-South clash. Each capitalist state

had its own interests (those of its capitalists) to defend, with those more dependent on or with more reserves of coal or oil dragging their feet. Because, if the use of fossil fuels is to be cut back or is to be made more expensive this would affect them proportionately more. Their production costs would go up more, putting them at a competitive disadvantage on world markets. Which is why President Bush notoriously declared about the Kyoto Treaty:

“I made the decision . . . that the Kyoto treaty didn’t suit our needs. In other words, the Kyoto treaty would have wrecked our economy, if I can be blunt . . . I walked away from Kyoto because it would damage America’s economy, you bet. It would have destroyed our economy. It was a lousy deal for the American economy.” (Interview with Trevor MacDonald, ITV, 4 July 2005).

He was right. The US would have suffered economically if it had signed. Obama is taking a less confrontational approach, but he still has to bat for US capitalist industry, arguing for the continued use of coal and oil but introducing new technology to try to stop so much of the CO2 getting out into the atmosphere.

Chris Harman in his book *Zombie Capitalism* quoted some relevant statistics which show why the EU has been more keen than the US to cut back on burning fossil fuels:

“The national structures within which accumulation takes place depend to very different degrees upon carbon energy. The US was self-sufficient in oil until the early 1970s, its structures of accumulation and consumption became very highly dependent on oil and that means that today it has 20.2 tons of carbon emission per person; the main West European states lacked domestic oil resources, developed rather different structures of accumulation and consumption (with petrol, for instance, about three times the cost it is in the US), and so far have only 8.8 tons of emissions per person; China’s rapid industrialisation and urbanisation are based on massive amounts of coal and its total emissions are close to that of the US figure, even though its emissions per head in 2004 were only a little over a sixth of the US figure and 40 percent of the West European figure. These enormous differences mean that measures that seriously cut back on emissions would hit firms based in different countries very differently. It is this which explains why the European Union seemed more committed to action against climate change in the early 2000s than the US; its national states stood to gain from measures that would proportionately hit US-based industries more than their own” (pp. 316-7).

The OPEC countries, led by Saudi Arabia (where they still really do believe that the Earth is flat), are, for obvious reasons, opposed to reducing oil consumption. In the manoeuvrings before the opening of the conference, their representative was reported as saying “if you cut your oil use we want compensation” (*Times*, 2 December). So do they all.

It is the differing economic interests of the various capitalist countries that work to make any international action to deal with this world problem feeble and inadequate. It’s the same with other world problems, even purely capitalist ones. Baron (then simple Mr Peter) Mandelson, when he was the EU Commissioner in charge of trying to negotiate a reduction in tariffs on world trade, remarked (before the Doha Round ended in failure):

“If, after seven years, you cannot complete a trade round, what does that say for your prospects of reaching a deal on climate change?” (*Times*, 21 July 2008).

What indeed?

Some are well aware of what the obstacles are. Thus pioneer global warming scientist James Hansen said just before the conference started:

“The fundamental problem is that fossil fuels are the cheapest form of energy. As long as they are, they are going to be used” (*Times*, 3 December).

However, naively, he sees the solution as imposing a carbon tax to raise the price of fossil fuels, so making the price – and so the use – of alternative fuels such as renewables and nuclear proportionately more competitive. But that’s easier said than done as who is going to make the US and China pay this tax that would undermine their competitiveness? In fact, as Copenhagen showed, nobody can impose anything on these two powers, the N°1 and N°2 CO2 emitters.

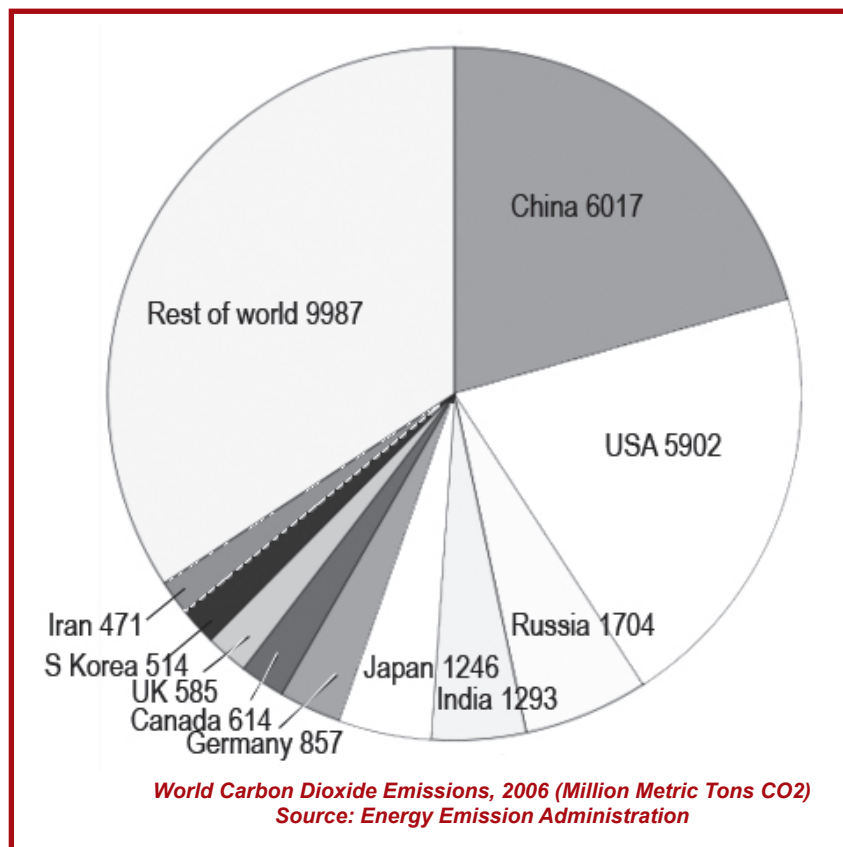
Lord Oxburgh, then chairman of Shell UK, speaking at the Greenpeace Business Lecture in January 2005, pointed out:

“Whether you like it or not, we live in a capitalist society. If we at Shell ceased to find and extract and market fossil fuel products while there was a demand for them, we should fail as a company. Shell would disappear as any kind of economic force” (*Independent*, 26 January 2005).

These are the hard facts of current economic life which those campaigning against climate change are up against. As long as they are cheaper, coal and oil will be used. And no capitalist corporation in that line of business is going to commit economic suicide by not seeking to make profits from supplying this paying demand for coal and oil.

If those concerned about the threat of a too rapid climate change would think the matter through they should be campaigning not for capitalist governments and corporations to change their spots but for the end of capitalism.

ADAM BUICK



Climate change: business, as usual

What should we have expected from such a large gathering of the world's elites if it wasn't this?

Authorities against protesters seeking to have their views heard. Police in force wrecking the long-made plans of people to shut down the port of Copenhagen for a day to draw attention to their agenda. Police employed by authorities to silence the voice of a mass of individuals trying to express the views of millions worldwide who recognise that their chosen so-called representatives do little, if anything, to represent those views.

The voice of protesters had to be kept within certain bounds. There were no invitations to send in their elected representatives to address any part of the summit and what did the former Danish minister and president (of the greater part) of the climate summit, Connie Hedegaard, mean when she said that the minority of protesters who were using violence were still too many and that they should have acted using their democratic channels? Surely if the 'democratic channels' brought forth democratic results then all those folk on the streets around the world would have stayed at home? Property owners may have been afraid of damage to buildings and vehicles but how does that compare with the fear of the tens of thousands outside the venue and the other multitudes in demonstrations around the world – the fear that those inside would continue their damage to the world and all its inhabitants through lack of appropriate action? A fear compounded by a document leaked on the second day which revealed that Denmark, US and UK proposed to transfer oversight of any future treaty from the UN to the World Bank, the very institution already loathed by the majority of protestors for its dire and damaging policies.

Costs vs Opportunities

For any who hold on to hopes of capitalism discovering a new method of delivery, a kinder, more equitable, better regulated version of itself, let's look at a few examples of what Copenhagen and the climate change debate is all about. If you thought it might be about reducing those nasty emissions think again. It's about markets – carbon markets, and specifically about the buying and selling of the right to pollute. Carbon trading lies at the heart of global climate policy and is projected to become one of the world's largest commodity markets, an approach which attempts to tackle climate change via the route of business as usual (see Oscar Reyes at Carbon Trade Watch and Transnational Institute).

Early on at Copenhagen US State envoy Todd Stern said that Obama had no plans to sign up to Kyoto, except possibly for offsets and a market-based trading system, 'We're not going to do Kyoto, and we're not going to do something that's Kyoto

with another name.' (www.livingonearth.org/shows/segments.htm?programID=09-P13-00050&segmentID=1)

Later there was some commentary on BBC World Radio to the effect that US would cut emissions by 17 percent, which to some sounded like a move forward. However cutting their emissions from 2005 levels (which was the proposal) by 17 percent would return them only to their 1990 levels, the year that was to be the benchmark from which we were all to reduce according to Kyoto. Further BBC commentary said that the US was "grappling with domestic difficulties and can't offer more."

A 19-page UK Draft Options Paper on Renewable Targets reveals much about the aims of the UK delegation. "The costs of increasing renewable technology use to reduce greenhouse gas emissions is around three times higher than allowing flexibility in reduction options through emissions trading." (Note – don't reduce your own emissions but pay for other emissions elsewhere where it's cheaper).

"Full flexibility to invest in renewable energy in other parts of the EU and, *even more helpfully*, (my emphasis) in the developing world would deliver us the least cost outcome to meet the 2020 target" (e.g. invest in solar energy projects in North Africa rather than transferring to renewable energy at home). From this and plenty more in the document, "flexible options, maximum flexibility, 'flexibility-based' options" etc., it is clear that the priority is about costs to business not to the environment and 'helping developing nations' is just a way of keeping costs down.

"It's impossible to make any distinction between fraud and non-fraud rendering any attempt at offset regulation ultimately pointless."

Carbon emissions as a commodity

Friends of the Earth, in a document, *A dangerous obsession*, offer detailed explanations of all aspects of the climate change debate. According to them offsetting "institutionalises the idea that cuts can be made in the developing world in place of cuts in the developed world when the science demands cuts in both." And, "At the current rate taking a per capita basis an 80% reduction in developed country emissions by 2050 with no offsetting would still not ensure the levelling off of per capita emissions by 2050. Offsetting only exacerbates the situation increasing inequalities in the production of carbon emissions further." (www.foe.co.uk/resource/reports/dangerous_obsession.pdf)

As to the Clean Development Mechanism (CDM) which is an integral part of offsetting, it is supposed to reward new, previously unplanned projects but a number of studies have shown it to be virtually impossible to know when a project really is additional and to prove it. According to Larry Lohmann, carbon trading specialist, of www.cornerhouse.org.uk, "This makes impossible any distinction between fraud and non-fraud rendering any attempt at offset regulation ultimately pointless." He has also written about carbon being "a magnet for hedge funds, energy traders, private equity funds and large global investment banks – Barclays, Citi-Group, Goldman Sachs, Credit Suisse, BNP Paribas and Merrill Lynch....."

Friends of the Earth report that carbon trading had reached \$126 billion by 2008 of which \$92 billion was made up of transactions of allowances and derivatives under the EU ETS (emissions trading scheme), UK being one of the leading

proponents of such trading. "In 2007 Gordon Brown aimed to give global carbon trading a central role in delivering emissions reductions and foresaw an opportunity for huge growth on the world market." Larry Lohmann reports that Wall Street has projected carbon markets to be around \$2 trillion or more by 2020, and that they could become the dominant 'commodity', displacing oil, which begins to reveal the scale of the carbon derivatives market being created. Compare these figures with those promised on the last day of the Copenhagen meetings with Obama as the mouthpiece – \$10 billion by 2012 and \$100 billion by 2020 from the developed to the developing nations to help them mitigate their emissions (as long as they meet the requirements of course – no free lunches here). Oscar Reyes, in an article, *Taking care of business*, says that the rapid growth has already spawned more complex markets where carbon credits are bundled together, then sliced up and resold, the same structures that caused the recent financial crisis.

First there has to be a commodity, in this case the somewhat intangible carbon emissions. A security, whose value is derived from the value of an underlying commodity, is one step removed from the commodity; a derivative is one step removed from the security which makes derivatives two steps from the commodity. For most of us carbon emissions as a commodity are several steps removed from reality. These aspects of trading carbon reinforce the primacy of the market and governments' willingness to allow the market to dictate the rules. The history of sub-prime and corporate lobbying point to the likelihood of another bubble and collapse – this time involving a pseudo-commodity.

The Unequal Struggle

On a very simplistic level the question could be asked what is it we want to achieve, do we take seriously the need to reduce emissions overall worldwide or do we choose to

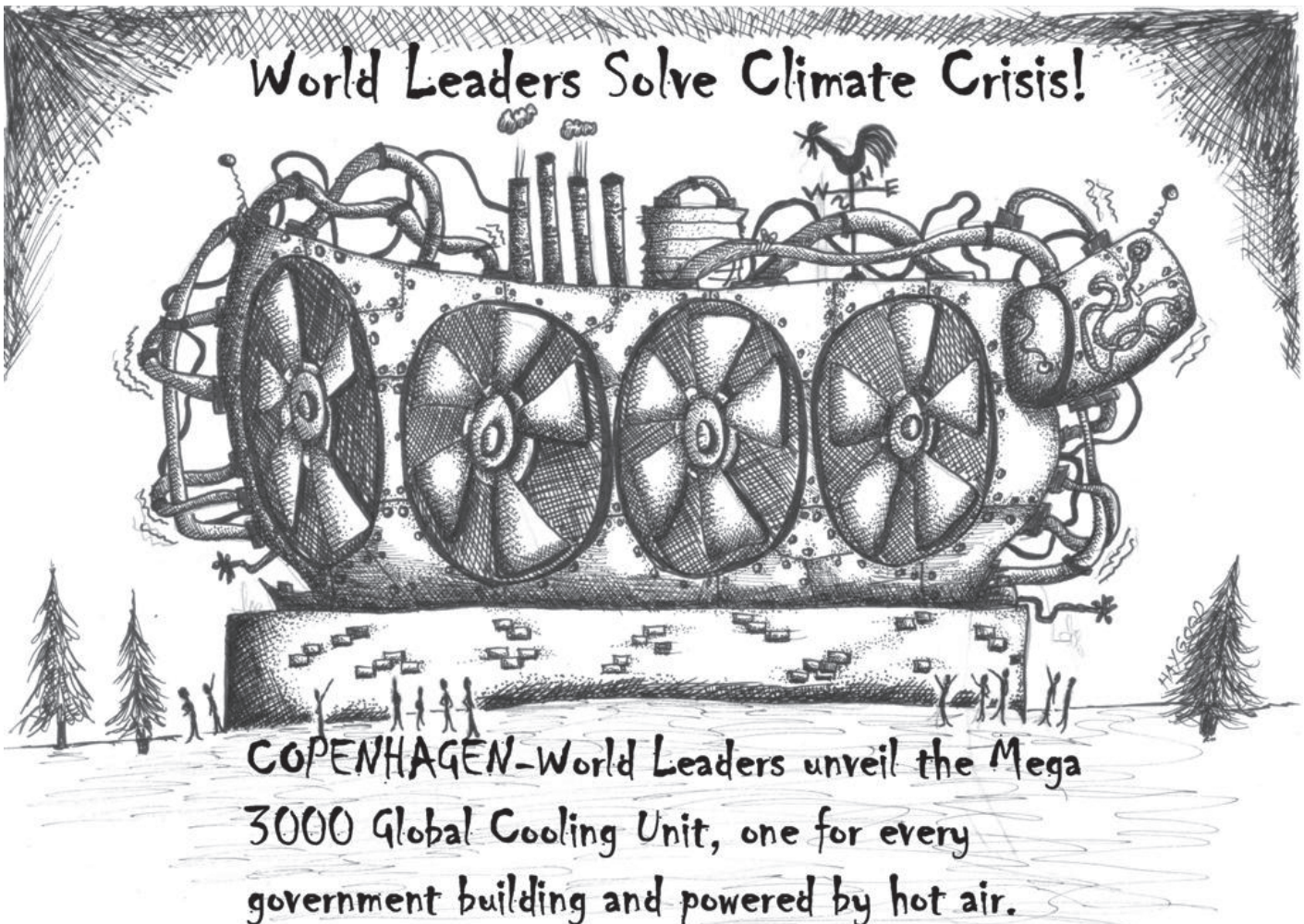
create another money-making business by gambling, guessing, playing with the idea of carbon as commodity? It may be guessing, gambling and playing with money – but with our habitat? Larry Lohmann again: "Carbon Trading as it exists now is damaging, ineffective and fundamentally flawed and seeking to reform it is a waste of precious time and energy in the face of the urgent threat of climate change."

What stood in the way of an agreement at Copenhagen was not the world's population or the demonstrators, who are to be applauded for keeping many of the rest of us focussed on the events. It was capitalism with its big business interests, lobbyists, banking and financial

corporations all with revolving doors to their lackey governments standing shoulder to shoulder against the people. Perhaps the biggest tragedy of Copenhagen is the fact that, although totally dissatisfied and disillusioned, many people still cling to the hope of the 'leaders' coming to their senses and taking control before it's too late. So, in this forum meant to save the world and its inhabitants from the ravages of global warming and climate change but where business as usual has been seen to be the overriding concern, we must recognize the unequal struggle for what it is – them against us; power against the people and, unless collectively we abandon hope's triumph over experience, it will ever be thus.

Janet Surman

“Carbon Trading as it exists now is damaging, ineffective and fundamentally flawed and seeking to reform it is a waste of precious time and energy in the face of the urgent threat of climate change.”





Masters of War

'You can fool all of the people some of the time . . . and some of the people all of the time . . . but . . .

The US occupation forces in Afghanistan have learned a particular lesson from the disaster that is Iraq, and they have learned it big time. In the first, largely contracted out war in history, US and other foreign civilians were brought in to carry out just about every task, from the mundane to those viewed as 'front-line'. A direct consequence of this strategy was millions of unemployed and very disgruntled Iraqis, a large percentage of whom became active or passive supporters of the forces of insurgency/resistance against the perceived injustices of the occupation. In the corporate boardrooms of US War Machine Inc. the alarm bells were ringing; costs (dead bodies and bodies with bits missing) were eating into public opinion and support for the corporations' products (perpetual war and war materials/services) was declining and, potentially, could severely impact their bottom lines. A slight shift in strategy was called for.

Afghanistan, in recent times, has never really been a nation state; it is an area of the world that is a patchwork of tribal fiefdoms that shift in and out of local alliances at the whim

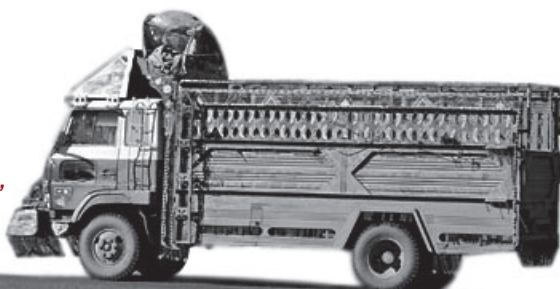
of chieftains or as balances of power dictate. In order for US and NATO forces to function, in what they like to call the 'Battlespace', they have to factor these tribal leaders and their shifting alliances into their planning. The logistics for any invader/occupier of this land are daunting in the extreme. It is a wild, unforgiving place peopled by proud, largely unconquered tribes with very long memories who do not take kindly to uninvited foreigners trying to lord it over them. Ameliorating some of that hostility would enable more focus on the 'flagged-up' enemy, al-Qa'ida and their Taliban associates.

As the conflict dragged on and soon to be president of US War Machine Inc. Senator Obama announced that, in his opinion, it was a 'war of necessity', the strategic planners came up with an ingenious ploy that would give gainful employment to Afghans, put money into their pockets and just might persuade them to view the occupiers of their lands in a sufficiently different light that they would stop shooting at or blowing up corporate assets and personnel. The name of this new strategy - 'Host Nation Trucking',

and it works something like this . . .

Take a gaggle of well connected, powerful and non-too-scrupulous 'business men' and award them six trucking contracts currently worth \$2.2 billion. People like the Popal brothers, owners of the huge Watan Group, both convicted whilst in the US of dealing in heroin and cousins of Afghan president Hamid Karzai. Or Hamed Wardek, owner of NCL Holdings and son of current Afghan defence minister, General Abdul Wardek. NCL includes such luminaries as 'legendary former CIA case officer and clear-headed thinker and writer' (says Senator John Kerry, Senate Foreign Relations Committee, October 2009) Milton Beardon on its advisory board. Or Asia Security Group, owned by Hashmat Karzai, another relative of the president. (Aram Roston, 'How the US Funds the Taliban', *The Nation*, 30 November) These companies already have a well oiled model for doing business along the ancient trading routes and in the minefield that is present day Afghanistan - each has an armed 'private security division' and field agents who buy-off attacks by fractious warlords along any route. In

A 'Host Nation Trucking' vehicle in Afghanistan



this way US and NATO troops should get everything from ammunition to toilet paper supplied to even the their furthest-flung outposts with fewer inconvenient disruptions.

That was the theory behind the plan and in reality it mostly works pretty well. The US Defense Dept. throws huge quantities of dollars to the contractors, who in turn buy off the warlords who control those routes that pass through their territories. Many of these warlords are associated with the Taliban or are the local Taliban commanders, so extensive funding finds its way into Taliban coffers. Even the Taliban, who are the supreme warlords in control of the south of the country, are not immune from getting in on the action directly. Pay the premiums for their 'insurance' and it is sufficient for just two of their escorting 'technicals' to ensure the safe passage of any convoy through any stretch of hostile territory, which in reality is everywhere. Fail to pay up and the consequences are guaranteed to be devastating and deadly. Drivers can be picked off by snipers and rocket propelled grenades will blow the vehicles to pieces. One US owned firm, Four Horsemen International, has so far refused to pay and has tried to take on the Taliban with its own security teams; their convoys are attacked on almost every mission and the price in lives has been high. At some stage, no doubt, they will have to follow other security firms and do what they must in order to survive. An indication of premium rates can be gleaned from the following: per truck, per section of territory under a particular warlord = approx. \$800, although it depends on what is being carried. Highway 1 from Kabul to Kandahar is about 300 kms, the local warlord, Commander Ruhullah, levies around \$1,500 per truck and for military supplies this is the only route to the south, to Helmand and the Taliban heartland. The NCL company alone is billed \$500,000 per month for 'services' rendered en-route through Ruhullah's turf, an indication of the scale of business.

Throwing money at a problem to make it go away has been elevated to the level of a doctrine within the US military, which goes under the title of 'Money as a Weapons System'. To give some perspective, the \$2.2 billion, two-year effort to hire Afghani trucks and truckers represents around 10 percent of that country's GDP and although firm figures are hard to come by it is estimated that between 10-20 percent is finding its way to the Taliban. The regime in

Kabul has recently increased the wages of its police and army by \$45 to around \$125 per month, far less than the Taliban pays its fighters, so why work for that lot when the 'firm' down the road is offering a better deal? No surprise then that the effective strength of these two organisations is around half of the claimed 90,000 for the police and 95,000 for the army, or that the power and influence of the Taliban continues to grow. They have their very own milch cow with a seeming never-ending stream of greenbacks. US spin would have us believe that it is drugs money that funds the



Above: Taliban fighters. Below: Afghan tribesmen



Taliban in direct opposition to their actions when in power. Under Taliban rule poppy/opium production was almost eliminated; by contrast, since the US invasion and the re-establishment of the warlords, production is at an historic high. None the less, this is the lie fed to the US public rather than revealing the truth which could well swing public opinion so strongly as to imperil the very profitable merry-go-round that is the conflict in Afghanistan. Better to keep the mushrooms in the dark than let them see the light of truth!

Step back for a moment and look at it this way; the US military, possibly the world's ultimate 'service provider', is a gigantic consumer of goods and services. Its top people are highly paid executives who are guaranteed lucrative positions in supplying corporations when the time comes to move on. Working with their associates in government they benefit from continuing conflicts/wars that use up existing stockpiles/services which

then need re-stocking from their appreciative suppliers. Prolonging the production run of any particular product or model is a well-proven policy for squeezing the last drop of profit from any venture. So it follows that in the context of modern, contracted-out warfare any strategy that strings out a conflict will mean more profits in the pockets of those corporations, organisations and their stock-holders who agree to play it by the rules of the capitalist system, and that includes Messrs. Taliban Associates Inc. In this lethal capitalist game, it is mostly the workers, the cannon-fodder on each side of any conflict who pay the supreme price; the elite, whether they wear the pin-stripped suits of corporate boardrooms or the black turbans of a Taliban leader, largely escape the extreme consequences of these policies.

The average US citizen thinks that it is 'their' money that's paying for 'their' military to fight a war in Afghanistan that will protect 'their' homeland from another 9/11 or some crazed mullah with a suicide atomic bomb under his jacket. Fight them over there so we don't have to fight them over here. The media has convinced them that it is a price worth paying, and anyway, aren't there tens of thousands of good US households that, directly or indirectly, depend on defence company salaries to pay the mortgage? If they ever wake up to the fact that it is also 'their' money that is paying for the munitions that kill their sons and daughters and is providing the Taliban with much of what it needs to carry on its campaign indefinitely, to the benefit and enrichment of all the stakeholders in the business of war and conflict, might they not get very angry? Might they not rise up against the Masters of War and their corrupt system? Don't hold your breath!

'You can fool some of the people . . .' Was this saying concocted by some US president or other to convince his people that they are really too smart to have the wool pulled over their eyes by a system devised to enrich the few whilst keeping the majority in bondage? How else to explain the predatory economic ways of the world and the widespread apathy towards them in the so-called 'world's only superpower' and its war-mongering allies?

' . . . you can't fool all of the people all of the time.'

Oh, yeah!

Cab-ride to capitalism: servitude by the majority

It only takes a cab ride in a city to see which class has the most power and influence in capitalist society

Everyday taxicab rides may appear to be lacklustre experiences that are quickly forgotten. However, this might not always be the case. Sometimes our views of events may become clouded and we cannot see things for what they really are. However, after taking many cab-rides in an urban city, I began to see things in a different way. On one of my jaunts in a taxicab I decided to investigate what it is that made people come to developed capitalist countries from less developed parts of the world.

In speaking to a cab driver, who left Ethiopia to come to Canada, I found my answer. I asked, “do people tend to be more happy in Western societies than in Ethiopia?” He answered that, “Ethiopia was a poor country.” In his words I could see the influence capitalism now had on his life: he equated how much money one has to how happy they are in life. This is reminiscent of one of the trademark idioms of capitalism that *money can buy happiness*. This is now disputed even by some who are otherwise supporters of capitalism, but if it were wholly refuted then this could undermine the entire capitalist system. Unfortunately, many people do believe that money can buy happiness in the owning class and force those who do not make as much money into the service industry, which in its very nature seeks to serve the owning class.

Your life is influenced by where you are born

Your life is partly determined by where you are born. For example, if you are born in Ethiopia then your life will be determined by Ethiopian standards and culture. In the United States, Canada or the UK your life is determined by a more developed capitalist system. Someone may come from Ethiopia to experience the “freedoms” countries like these employ, but there is another factor at work here: class. It is easy to show that the system boasts of false promises: Sally wishes to go to university, but Sally’s parents cannot afford to pay for it because in the capitalist system one must pay for everything. Sally’s life path has now been influenced by what class she was born into. Therefore, what the Ethiopian will notice is that “freedoms” have a price and are largely determined by what class one is born into.

Along the same lines, immigrants often receive low paying work in the service industry once they enter the developed capitalist system and they can never afford the education to gain higher paying jobs. As a result they stay in the service industry their entire lives, being some of the most lowly-paid members of the working class of wage and salary earners. It is education and money that allows one to move up in a capitalist society but even if one is to move up the

‘social ladder’, it is only usually to a less badly paid section of the same subservient class.

Finding and maintaining a job is difficult enough for people in poor countries and therefore receiving an education is but a luxury. In fact, the cab driver I spoke to said that he was working to make sure that his daughter would be able to go to university. He has to spend his years driving a car all day long so that his daughter will not have to do the same job and will have a better future. If someone cannot improve their station in life because they have no money to begin with, they also cannot afford to improve their station through higher education. This means that they are left work for the class that owns and controls society. This is because capitalism is not really based on merit, but on how much money one has. This is irrational as merit should never have a price, it should be free and depend on nothing but itself.

The capitalist system is marketed on its promises of equality and freedoms through purchasing power. Prospective immigrants are given rhetoric about how capitalism makes anything possible – if one has money. However, nothing appears possible, let alone free and equal about the owning class being served daily by an exploited working class, who are actually the majority and whose freedom is rationed and limited

by their pay packets and salary cheques.

Moreover, how successful you will be in life is largely determined by what class you are born into, and is out of your control. The cab driver from Ethiopia realised that he, or his daughter, would not be able to influence society in a poor country because all of the rich capitalist countries such as those in the G8 are the most influential and have the highest standards of living. However, even though he came to one of these developed capitalist countries, he will almost inevitably remain in the service industry for the rest of his life. This is because capitalism is not based on talent or merit like a truly equal system would be such as socialism where everyone would have an equal opportunity to pursue their true interests in life. In capitalism, your success typically still depends on how rich a family or area you are born into and what kind of a reputation it has. If you are unlucky and are born into the majority, the working class, it is likely that you will remain there to serve the upper class for the duration of your life.

Capitalism Promises Freedoms, But for Who?

It is taught in school that capitalist countries are mosaic countries, small units of various cultures existing within a larger schema or government. This view is marketed so that potential immigrants will not have to leave their customs behind and still be able to reap the so-called rewards of capitalist society. In reality, what exists is a melting pot where these cultures are eventually assimilated. The opposite of a mosaic, melting pot, a term with a negative connotation, is often used to describe societies experiencing large-scale immigration from many different countries that seem to “melt” into the existing society. For example, Muslims are being assimilated into Western culture by way of developed capitalism. Only those who assimilate into the capitalist system are able to experience the “freedoms” it promises, but at often cost to their culture. It follows that people who come to developed capitalist countries work to serve the needs of the majority, who are of a different culture, often by forgoing

their own so that they might fit in the prevailing market-driven norms.

Two of the most prominent examples of the melting-pot theory are the African Americans who were enslaved by white people through trade and the Native Americans who were wiped out, enslaved or displaced during European colonization. Though these cultures, mainly the African Americans, regained somewhat of their dignity many years later, they still lost the connection to their homeland, lost their culture and were forced to “melt” into the capitalist system.

The natives of North America are an example of not only assimilation to benefit the capitalist class but of the deception of such a system. The natives did not have money or a use for money until the European settlers arrived. These initiated trade and the natives would work hard to gather furs. They would sell their furs, specifically beaver pelts, which were very expensive items in European society at the time. In return they would receive trinkets such as forks as well detrimental items like firearms and liquor. Further, the economy that was run during colonization was one that the Europeans implemented and operated themselves, i.e. capitalism.

Also, when the natives finally became wary of the situation, they lost their land.

Treaties for land exchange were deceitfully created in a

language foreign to them so that they could not have possibly known that they were signing away their land. They were taken advantage of and most importantly, lost their autonomy and freedom. Additionally, the native clans that do remain in North America are being assimilated, or waiting to be assimilated, into society. One way where this can be seen is through the media impact on younger generations who are lured into Western society with its market-driven imperatives and away from their cultural heritage.

Servitude

It seems almost unbelievable to think that servitude exists today in a society that is supposed to be ‘meritocratic’. This is because it is unnecessary that there should even be a servant class in society at all, even if the modern form of slavery is wage slavery.

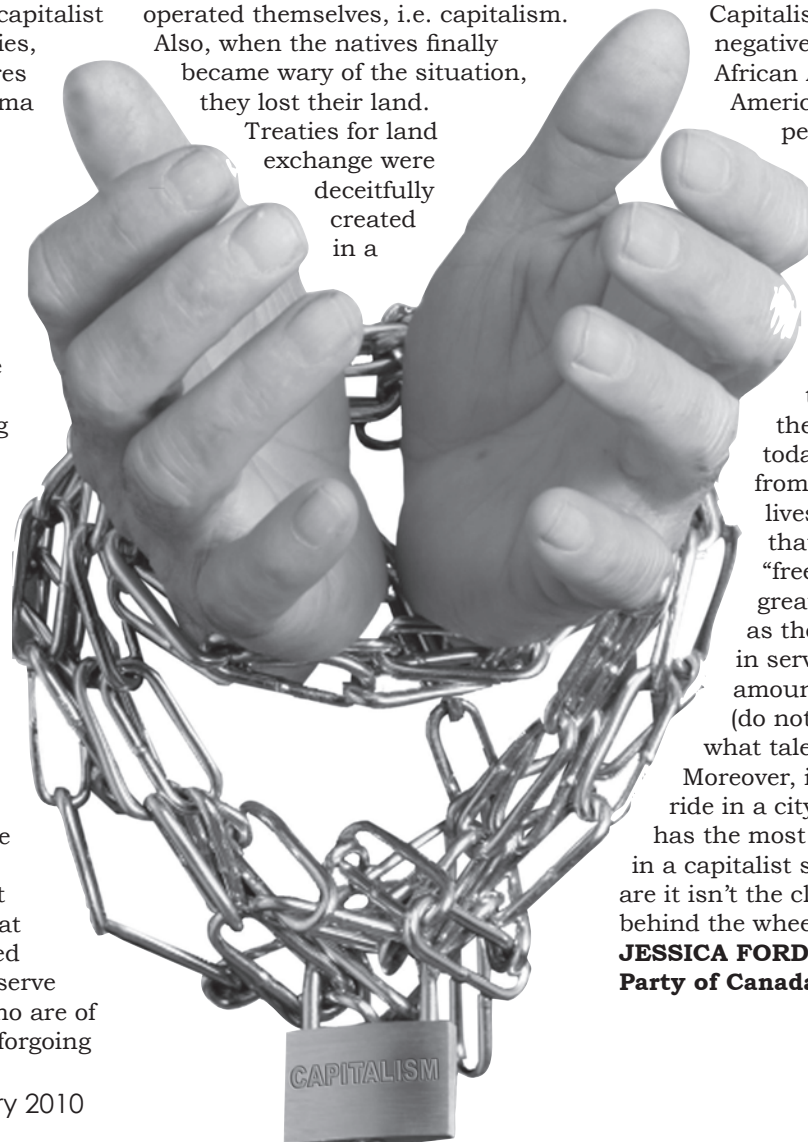
There is no doubt that if one were to ask the Ethiopian cab driver if he would drive a cab all day if he didn't have to, he would say no. The majority of people work unsatisfying and unchallenging jobs in the service industry and this is not necessary. It is socially demeaning and it is servitude, plain and simple.

Capitalism has wrought its negative influences on the African Americans and North American natives. These

people were exploited and subordinate classes until they melted into the capitalist society causing social alienation and loss of cultural identity. Further, those that work in the service industry today are not far off from these fates. Their lives may be better now that they can purchase “freedom” but it is at a great cost to their dignity as they spend their lives in servitude based on the amount of money they (do not) have instead of what talents they possess.

Moreover, it only takes a cab ride in a city to see which class has the most power and influence in a capitalist society and chances are it isn't the class of the Ethiopian behind the wheel.

JESSICA FORDHAM (Socialist Party of Canada)



HORROR-SCOPE FOR NON-SOCIALISTS

Even the newspapers which consider themselves to be posh run horoscopes. They are always extremely vague – when did you see a horoscope that got down to details, and said that if you go to your local shopping centre, and go into the third shop past Tesco on the right, they'll give you a big bag of gold? So here are some forecasts which are much more likely to be fulfilled – for non-Socialists.

If your birthday is in -

January

You will contribute to the profits of the company running the National Lottery, since you haven't worked out that the odds against you getting a big prize are about 14,000,000 to one. In fact you'd have more chance of getting rich if you took a spade and started digging for buried treasure on the nearest field – if you can square the landowner.



May

You will turn out on a rainy night and vote for a party which claims it will run capitalism for your benefit, and when you find (unsurprisingly) it continues to run capitalism for the benefit of the capitalists you will vote for a different party which claims it will run capitalism for your benefit. Then you will go back to supporting the first party, and so on endlessly.

February

You will believe that the present recession was caused simply by a few bankers thinking more of their own profits than what was good for the rest of us. You will forget (a) that all capitalists work on the slogan "Stuff you, Jack, I'm all right", and (b) capitalism has always had booms and slumps, and will go on having them even if bankers give up their bonuses.

June

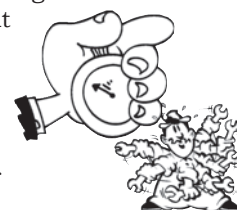
As you endure a dull, boring job, which still leaves you short of money, you will concentrate your dislike on your fellow-worker who's just been made foreman, or has got some other minor promotion, while at the same time you will continue to ignore all the members of the owning class, who live well without any work at all on what you help to produce.

March

You will be appalled to read about "terrorists" who deliberately explode a bomb in a Western city and kill innocent people. You will not be appalled by Western governments exploding many bombs in Asian countries, killing vast numbers – equally innocent. You will think it's worth slaughtering half a million foreigners to bring in a new group to exploit a whole country.

July

Some capitalists support the E.U. (bigger area of operations, bigger profits), some capitalists support withdrawing from the E.U. (smaller area, more chance of controlling events); you will get involved in heated arguments to prop up one group of capitalists or the other. Why not leave capitalists to support themselves (they always do), and instead support yourself and your own interests?



April

Having read about global warming, you will try to recycle most of your rubbish, and use fewer plastic bags, and even install solar panels on your roof – ignoring the fact that many capitalist companies make large profits running operations which help to ruin the environment, and will go on doing so until a socialist society puts the interests of all the people first.

August

You will get annoyed about the foreign origins of some of the other workers brought in by the capitalists to work for them; despite the fact that workers divided among themselves – by things that don't matter, like skin-colour – will not even be able to defend their wages and conditions within the present system, much less create a better society.

September

You will never see the significance of the fact that everywhere, whatever the form of government, new people always come to power offering to "change" things – Barack Obama is just the latest example; but if this is already such a marvellous system, as the press, T.V. and all the rest of the media are always saying, why should "change" be so attractive?



October

Having voted for the continuation of capitalism, a system in which strife and wars are inevitable, you will be astounded when British soldiers, going to war overseas, are killed and injured, and you will go on marches which demand: "bring our boys home". Then you will continue voting for parties supporting capitalism – and therefore supporting violence.



November

You will contribute all your loose change to a charity which gives a hot dinner on Christmas day to a few homeless people. You won't give any money, or effort, to your fellow-workers who struggle all their lives trying to bring about a society in which there won't be any homeless people, or any need for degrading charity.

December

Next Christmas you will listen to arguments from religious people who say secularists have stolen their holy day, and from secularists who say religious people have stolen the age-old midwinter festival, without realizing that the owners of the big stores and shops, their cash registers merrily ringing, have stolen it from both of them.



ALWYN EDGAR

Socialist Standard January 2010

Real life monopoly

WHEN WE were children around about the time that we were tiring of Ludo and Snakes and Ladders we discovered the board game Monopoly. I can't remember the details or the rules - something about cards that said such things as "Pass Go, collect £200", "Go to jail", "Get out of jail". In real life it is usually found that going to jail meant the only people to collect money were the lawyers, but whatever the rules were it was good fun building hotels in Park Lane while your opponent was stuck in a hovel in the East End somewhere or off to jail and not collecting £200.

When we grew up of course we quickly learned that the Grosvenor Hotel and a mansion in Park Lane were not for "the likes of us". Our fate was to be members of the working class who had to work for a wage or a salary and lead an anxious life between weekly or monthly pay cheques. However there are people who wheel and deal in such properties and a recent newspaper article gave some details of these deals.

Two separate properties in Park Lane valued at £5m-£6m, one in Grosvenor Street for £10m and one in Reeves Mews at £25m. The astonishing thing about these desirable residences is that they have been vacant for between five and ten years. According to the empty properties officer for Westminster council Paul Palmer the owners intend to keep them empty for the present.

"There are an estimated 1m empty homes in the UK, and as empty properties officer for Westminster council, Palmer is responsible for about 3,000 of them. Every day he visits some of the ritziest addresses in the capital and does his best to get them lived in again. What makes his job unique is the staggering value of the properties on his books; some of his Mayfair mansions are worth as much as £50m, even in their dilapidated state. ... The properties usually aren't abandoned for reasons which might prompt sympathy. Palmer believes many elusive owners don't have the slightest intention of bringing them back to life. 'So often offshore owners have little or no interest in the property as a building it is merely an asset to be traded as they see fit,' he says adding that offshore firms are tricky to track down.' (*Guardian*, 17 October)

The article points out that in some cases where property is owned by offshore companies, no UK capital gains tax is payable, and there are cases where the wheeler dealers sell a £1m property after a year for £2m and avoid the 18 percent tax. These traders do not look upon these properties as places to live but as chips in their grown-up game of Monopoly. All of this financial skulduggery goes on against a background of millions of workers living in sub-standard housing, thousands homeless and hundreds even sleeping in the streets around about these empty luxurious mansions.

Compared to the complexities of capitalism socialism is a simple social system. Houses will be built for people to live in, not counters in a horror version of the kids' board game like we have today. At 21 Upper Grosvenor Street there is a house valued at £25m, it has been empty for more than ten years. Once we establish world socialism it will be occupied immediately by a family at presently homeless. A simple socialist solution to a problem that capitalism finds insoluble.



Financial alchemy

WHEN THE Bank of England introduced "quantitative easing" last year it was popularly described as the government having recourse to the printing press. This was not meant to be taken literally – the Bank of England did not arrange for more notes to be printed – as it was done electronically. Nor, as Charles Bean, a deputy governor of the Bank of England explained in a speech to the London Society of Chartered Accountants on 13 October (www.bankofengland.co.uk/publications/speeches/2009/speech405.pdf), was it the same process that leads to more currency (notes and coins) getting into circulation (through banks being put in a position to have to convert some of their reserves with the Bank of England into cash).

Bean described it as "a programme of large scale asset purchases financed by the issuance of extra reserves". A new fund called the Asset Purchase Facility was set up to which the Bank of England has so far lent £200 billion. This did not come out of the Bank's existing assets but was literally created out of nothing:

"Technically what happens is the following. The Asset Purchase Facility buys assets funded by a loan from the Bank. In turn, the Bank funds that loan through additional reserve creation. If that sounds like financial alchemy, consider how the money flows through the system. When the Asset Purchase Facility buys a gilt from a pension fund, say, it can be thought of as paying with a cheque drawn on the Bank of England. The pension fund will then bank the cheque with its own commercial bank, so the latter now has a claim on the Bank of England – that is what reserves are. In reality, these payments are not made by cheque, but rather are carried out electronically. But the principle is the same, though one key difference is that we pay the Bank Rate to the commercial bank on its claim on us, as well as charging the Bank Rate on the loan we make to the Asset Purchase Facility."

So, what is involved is a circulating IOU from the Bank which can be used to buy financial assets and which, from an accounting point of view, takes the form of a notional increase in the reserves which the commercial banks keep with the Bank of England, except that it is the Bank not the commercial banks that has increased these reserves.

Will this cause inflation? After all, what the Asset Purchase Facility spends does represent an increase in purchasing power. However, the immediate aim is not to cause a rise in the general price level but a rise only in the price of government bonds and stocks and shares:

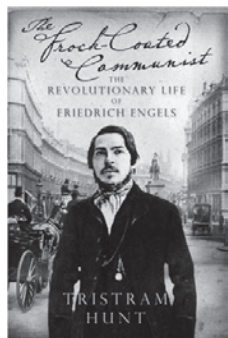
"If the Asset Purchase Facility buys gilts from pension funds or asset managers, they will then have to look for another home for their money. As it is not very rewarding just to hold it on deposit, they are likely to look to put their money into other assets, including equities and corporate bonds. Thus not only does the price of gilts rise as a consequence of the Asset Purchase Facility's initial purchases, but also the prices of a whole spectrum of other assets".

This limited aim seems to have been achieved as prices of bonds and shares on the stock exchange have risen, helping to repair some black holes on financial company balance sheets. But there is supposed to be a wider aim: to "boost spending and activity" as Bean put it. Which hasn't been achieved. Bean, in fact, honestly admitted that if and when economic activity revives there will be no way of telling whether or not this was due to quantitative easing "for the simple reason that we can never know with precision what would have happened in its absence".

The intention is that, as the real economy recovers, the process will be reversed. The Asset Purchase Facility will sell the bonds it purchased and repay its loan from the Bank of England. The Bank will then liquidate the corresponding commercial banks' reserves with it. If this happens there will be no general inflationary effect as the extra purchasing power pumped into financial markets will be taken out again. But this could be years away. In the meantime the extra purchasing power will continue to go towards financing a stock exchange revival, even perhaps a speculative bubble – while the real economy goes its own way, recovering in due course for real economic reasons not through financial alchemy.

Engels defrocked

***The Frock-Coated Communist: the Revolutionary Life of Friedrich Engels.* By Tristram Hunt: Allen Lane £25.**



In February last year we reviewed John Green's biography of Engels, and now along comes another. This one was launched with far more hype, coming as it does from

a well-known publisher and being written by an up-and-coming academic and TV historian. Both contain 'revolutionary life' in their sub-titles, and even feature on their front covers versions of the same portrait of Engels at the age of twenty.

And of course both books tell essentially the same story. Engels was born to a capitalist family in Germany in 1820, and rebelled against his upbringing but was forced to spend twenty years working for the Manchester branch of the family firm. He supported Marx financially, till in 1869 he was able to retire, and the next year he moved to London. Besides helping Marx's research into capitalism, he wrote classic works such as *The Origin of the Family, Private Property and the State*.

Where Green saw Engels as something of a proto-Bolshevik, Hunt has a more balanced view in this respect. 'Contrary to Lenin's later assertions,' he says, 'Engels was no vanguardist.' He appreciated, too, that workers could come to power using the ballot box. Nor was he a Fabian or a supporter of the reformism pursued by the German Social Democrats. Despite some claims to the contrary, he was not responsible for the horrors of Stalinism, and did not corrupt Marx's ideas in any way.

But Engels was not perfect, by any means. He had some anti-Irish prejudices, but he later put these aside. He does not seem, though, to have modified his anti-Slav views, which led him to call for the disappearance of 'entire reactionary peoples'. He was against homosexuality, and was not sympathetic to the women's movement. In the 1840s he apparently slept with the wife of

Moses Hess, a former associate with whom he and Marx had fallen out, and then boasted that she was in love with him. Yet 'the womanising Engels ended up authoring the foundation text of socialist feminism' (i.e. *Origin*).

As Francis Wheen did when writing about Marx, Hunt concludes by noting how contemporary Engels now seems, when read in the context of economic recession and globalisation.

PB

Global finance

***The No-Nonsense Guide to Global Finance.* By Peter Stalker. New Internationalist. 150 pages. £7.99.**



By and large this book, one of a series published by the *New Internationalist*, is what its title says. But not quite. Stalker, himself a former co-editor of the

magazine, writes correctly that commercial banks "make most of their money by charging borrowers a higher rate of interest than they give to the depositors" and that "without businesses prepared to put money to work, banks would be unable to offer interest on loans", but then:

"Suppose, for example, 20 people have each deposited one hundred pounds of silver in the bank's vaults. The total amount of money is thus two thousand pounds of silver. Then the 21st person comes along. He or she wants to borrow one hundred pounds. Certainly, sir or madam, please step this way. We can open an account for you and write into it one hundred pounds of silver. Now 21 people think they have 100 pounds and can spend it. The total amount of money has magically increased to 2,100 pounds of silver."

No it hasn't. How could it? If a bank could turn 2000 lbs of silver into 2100 lbs by a mere stroke of the pen that really would be magic, alchemy even. What it actually means is that one of the 100 lbs deposited has been lent to someone else to spend. There are still only 2000 lbs in existence, 100 in the hands of the borrower and 1900 in the vaults of the bank. The same would apply whether the original deposits were made in token money or by electronic transfer, but using metallic commodity money to illustrate the claim that banks

"magically" create money is a good way to show it up as nonsense.

There follow chapters (most of the book) where Stalker explains in easy-to-understand terms, shares, hedge funds, derivatives, deficit swaps and the like as well as international currency transactions and loans. It is only in the final chapter where he outlines the reforms he'd like to see that he goes off the rails again.

In a subsection entitled "Revoke licenses to print money" he says that 95 percent of money "materialises as if by magic, when commercial banks make loans to their customers". He doesn't seem to realise that this is because, confusingly, he along with most modern economists includes bank loans in the definition of 'money'. On this definition, revoking the banks' supposed "license to print money" ought, logically, to mean not allowing them to make loans. Yet on the next page:

"Banks would continue to offer loans, but they would do so in a much simpler fashion. Anything they lend would have to come from money deposited with them by savers, or borrowed from other banks, or from their tills, or from their own accounts held at the central bank."

But this, essentially, is what happens today! Also, he is tacitly accepting here that bank loans don't increase the 'money supply' and so are not really part of it. Banks today no more have the power "to cream off extra profits by creating money" than they would have in his reformed capitalism.

ALB

Capitalism against ecology

***The Ecological Revolution – making peace with the planet.* By John Bellamy Foster. Monthly Review Press N.Y. 2009. \$17.95**

Recalling the goals of the 1992 Earth Summit in Rio, the principal document – Agenda 21 – was intended to launch a new age of sustainable development for the 21st century. But a decade later at the second summit in Johannesburg, it 'had turned out to be about sustaining capital accumulation at virtually any ecological cost.'

The book is a compilation of earlier articles, mostly from *Monthly Review* of which Foster is the editor, or from talks given at various venues around the world, e.g. the Marxism Conference 2002

in London, the Climate Change, Social Change Conference 2008 in Sydney, and adapted for this edition. As a consequence there is some recurrence of themes, however the repetition of key points in different contexts tends to reinforce their significance overall.

Organised in three sections, *The Planetary Crisis, Marx's Ecology and Ecology and Revolution*, Foster lays out the most up to date information and statistics on climate change and peak oil, etc from credible sources. One recurring theme is that society needs to be reorganised, 'away from the imperatives of accumulation, exploitation and degradation of the natural environment' and that 'the necessary change must be revolutionary in nature.' A reference in chapter 7, *A Planetary Defeat*, is to *The Johannesburg Memo*, written by 16 environmentalists who pointed to the abject failure of governments which, after committing to curb environmental decline etc., continued supporting policies which are gradually making all things worse. Again, the *Johannesburg Memo*, 'as long as corporations' long and short term interests diverge from the public interest no tinkering, reforms, regulations, or World Summits will change the status quo.'

The chapters of part one cover the workings of capitalism, the reasons the blame lies there and Foster's explanations of why things won't change without a system change. Part two is an analysis of various interpretations of Marx's connection to or disconnection from ecology and how different interpretations have tended to be uppermost at different periods of time. In the longest chapter, *Marx's Theory of Metabolic Rift*, Foster discusses what he sees as renewed emphasis on Marx and Liebig's treatment of soil fertility and ecological implications from agronomists and ecologists, especially regarding soil science and the struggles over agribusiness v. organic agriculture. He also points to Marx and Engels's emphasis on 'the need for the movement to address the alienation of nature in the attempt to create a sustainable society.' According to Foster the essential starting point for a truly revolutionary social ecology should be Marx's 'Good Ancestor' analogy. 'More than ever the world needs what Marx and others called for – the rational organisation of human metabolism with nature by freely associated producers.'

Part three contains Foster's argument that only a socialist

revolution will suffice to generate conditions of equality, sustainability and human freedom and would necessarily draw its major impetus from the struggles of the working populations and communities at the bottom of the global hierarchy. Basic human needs must be ahead of all other needs and wants. 'There is the need for a revolt from below in support of social and ecological transformation, pointing beyond the existing system.' 'The transition to socialism and the transition to an ecological society are one.'

JS

Basic concepts

***Unravelling Capitalism. A Guide to Marxist Political Economy.* By Joseph Choonara. Bookmarks.**

2009. 150 pages. £6.99

***Zombie Capitalism. Global Crisis and the Relevance of Marx.* By Chris Harman. Bookmarks. 400 pages. £16.99**

Choonara's short book is a good simple-to-follow introduction to the basic concepts of Marxian economics – from commodity, value, labour, labour power, and surplus value to rate of profit, organic composition of capital and price of production.

There's the occasional reference to Trotsky and to the Russian revolution (Bolshevik coup) as a good thing but, after all, the author is a member of the SWP and the discerning reader will be able to discount these. Even so, it is surprising to see Mike Kidron's "permanent arms economy" (that capitalism boomed after WW2 because wasteful expenditure on arms prevented the rate of profit from falling by slowing down the rate of capital accumulation) given another airing since it was so decisively refuted by the facts (those countries that spent less on arms boomed more). But this only takes up a few pages of an otherwise useful book.

Apart from the opening two chapters which cover the same ground as Choonara's book and in the same easy-to-follow way, Harman's book (published only a few months before he died in November) is by contrast dominated by Kidron's theory. In fact, Harman (the No 2 in the SWP under Tony Cliff) applies the theory much more widely than Kidron ever did, using it to attempt to explain the course of capitalist development since Marx's day. Thus the Great Depression of the 1880s

only ended because of the naval arms race that began towards the end of the 1890s; the slump that followed the 1929 Wall Street Crash was due to the fact that there was not enough wasteful arms spending in the 1920s to slow down the rate of accumulation; WW2 ended this slump and post-war arms spending avoided another one till the 1970s. Then? Well, the permanent arms economy proved to be neither permanent nor enough: "The permanent arms economy had to be supplemented by the debt economy" (p. 289).

Despite this unsatisfactory analysis Harman does make some valid points. For instance, to those who blame the banks and bankers: "Finance is a parasite on the back of a parasite, not a problem that can be dealt with in isolation from capitalism as a whole".

ALB

Indian railways

***Engines of Change.* By Ian J Kerr. Praeger Publishers**



Although carried out in a rather annoying academic style, *Engines of Change* is nonetheless an excellent overview of the history of the railways of India from an

economic and social perspective. One of the themes running through the book is the increasing state involvement in the running of the railways in India – partial government ownership beginning as early as 1870, less than twenty years after the opening of the first line. Marx gets a passing mention for his comment that the construction of railways under British rule would hasten industrialisation. By the end of British rule in India, up to 95 percent of the railway system was already nationalised. By the Raj – another nail in the coffin of the 'Nationalisation = Socialism' equation! On the same theme, it is interesting to note that ticketless travel, previously viewed as a nationalist anti-British protest, surged after independence – after all now 'the people' owned the trains. Currently some 6 million faredodgers every year find out just how far their ownership of Indian Railways extends.

Meetings

London Winter Film Programme

Sundays at 6pm at 52 Clapham High St. London SW4

17 January: *Manufacturing Consent* (part one) (Noam Chomsky & the Media)
31 January: *Manufacturing Consent* (part two)

Manchester

Monday, **25 January**, 8.30 pm
WHO WON THE SIXTIES?
Unicorn, Church Street, City Centre

London

Tuesday **26th January**, 7.30pm
REVOLUTION FROM BELOW
Speaker: Gwynn Thomas
Socialist Party Head Office, 52 Clapham High St, SW4 (nearest tube: Clapham North).

Norwich Films 2010

Saturday **30th January**, 2-5pm
Capitalism and Other Kids Stuff

Saturday **27th February**, 2-5pm
The Story of Stuff + Manufacturing Consent (Kapitalism 101)

Saturday **20th March**, 2-5pm
Zeitgeist III (TBC)

The Socialist Party presents a season of film and discussion. If you'd like to watch and discuss a film which has something to say about society, the way we live and the way we could live please come and join us at:

The Workshop, 53 Earlham Road, Norwich, NR1 3SP. Restriction free parking is available from where Park Lane and Earlham Road meet or on Havelock Road, 4th left from the Workshop if heading out of town.
More information: <http://radicalfilmforum>.

London

Thursday, **4th February**, 7.00pm
CAPITALISM OR SOCIALISM?
Public Debate between Adam Smith Institute (Eamonn Butler) and the Socialist Party (Richard Headicar).
Small Hall, Conway Hall, Red Lion Square, London. WC1 (nearest tube: Holborn)

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Labour's Lost Chord



AGAINST ALL the precedents, and to the surprise of many Labour supporters, the Tories have won their third election in succession; and have even managed to increase their majority. The most interesting aspect of this was not Supermac's victory, but the changed attitudes and moods of the electorate, that were revealed more clearly than before. These changes affect the Labour Party far more than the Tories, and in some ways appear to be a major disaster for Labour, causing much heart-searching and what John Foster Dulles called "agonising re-appraisals."

In spite of high polls and a fairly steady Labour vote, something has gone from British politics, and gone for ever. This "something" might loosely be called "left-wing idealism." Where is the enthusiasm of Labour's early years; where the desire to make the world a place of dignity, free from slavery and oppression; where the striving to make man master of the machine instead of its mere adjunct Labour in the past expressed, however incoherently, all these aspirations of a working class just out of its infancy, crying

out, not for charity and mercy, but for political power with which to change the world.

The Labour Party was formed in 1906, yet despite its recent emergence (as compared with Liberal or Tory) its appeal is already fading, its policies old-hat, its ideals threadbare and increasingly lost in vague verbiage. Fifty-three years have seen the rise and decline of that sincere idealism that sent hundreds of thousands of workers onto the streets campaigning, not for "we can make 'You have never had it so good' even better," but to build a society worthy of Man's sense of his own dignity. Left-wing idealism has died, and all the trumpeting of Bevan, Barbara Castle, Mikardo and "Tribune" cannot bring it to life again. Labour today can only mimic its former styles; and the result, with even the rebels supporting H-bombs, rearmament and the trade struggle with foreign powers, sounds as hollow as an old biscuit-tin.

From article by F.R.I., *Socialist Standard*, January 1960.

Declaration of Principles

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

Object

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

Declaration of Principles

The Socialist Party of Great Britain holds

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

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

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

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

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

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

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

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

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

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



The thick of it

ABUNDANT EVIDENCE of how a grateful nation unstintingly cares for its military heroes as they return, too often less than complete, from the battlefields has been supplied by Defence Minister Kevan Jones. Anyone who in combat in Afghanistan is unlucky enough to lose their penis – shot off, blown to pieces, burnt away – can put in a claim for compensation which might amount to £9,000. As expected of a properly prudent minister of the crown, Jones made it clear that such generosity applies only when the entire organ is lost; in cases of lesser damage, when “partial use” remains, the payment will be something under £3,000. Naturally such claims will have to originate with the appropriate form, signed and witnessed by a suitably qualified person. No doubt supporting evidence will be required. Then the claim will be processed through an appointed panel of specialists in the regular stream of applications for council tax relief, job seekers allowance, home carers...

Cenotaphs

We have, in fact, been here before. After the guns had fallen silent in 1918 the then government did their best to live up to the infamous Lloyd George promise about post-war Britain being a Place Fit For Heroes To Live In by making payments to survivors of the horrors who had left bits of themselves out on the battlefields. Perhaps Kevan Jones learned something from this for the 1918 compensation was carefully calculated with an appropriate scale of payments – so much for a missing hand, a bit more for an arm above the elbow, more again for above the elbow and the same kind of arrangement applying to missing legs. It was thought prudent to make an exception for anyone with a mangled head or face – nothing would be paid for any damage above the neck. This was done in accordance with regulations made in the safety of the Commons to be implemented by bureaucrats in their offices; in neither place was anybody likely to lose any limbs. It conformed to sound actuarial principles, taking into account that a lot of injuries “above the neck” would effectively deprive a potential claimant of any lasting interest in compensation, or of the need for any recognition of their plight other than a place on the local war memorials which were already being designed up and down the country (Edwin Lutyens had quickly drawn on the back of an envelope a rough sketch for a temporary Cenotaph, made of wood and plaster, for London). But never mind – it was, after all, the thought that mattered.

Chilcott

A natural response would be, in bewildered rage, to consign the episode to a file marked Madness. Except that this does nothing towards unravelling the matter. We are compelled to deal with a social system which does not just tolerate the insanity of war but actually nurtures it as the most rational available way of purging itself of certain problems. As the Chilcott enquiry into the Iraq war – there have already been two others, both of them predictably unrewarding and dishonest – is already informing us, capitalism needs to be a society of conflicts, driven by a momentum of its own which is lubricated by a

disregard of inconvenient facts. Infuriatingly, we need to accept that the mass of capitalism’s people – who fight in the wars, willing to be maimed and killed – readily comply with and justify the entire disreputable chaos. It is almost as if nothing more is expected of a system which shows itself capable of massive human progress were it not hampered by the priorities of property; all that is demanded is that the dead are disposed of with due ceremony and the wounded are compensated according to an official scale.

Government

And for all of this there is always the essential machinery of government – that organ which millions of its subjects vote for under the impression that thereby they are ensuring a benevolent eye will watch over their welfare. Supposedly fulfilling this function are the ministers and secretaries of state on one level after another down to the achingly ambitious bag carriers and beyond, whose function persuades them to be in love with the protection of their protocol, its systemic committees and pressure groups where back-stabbing is an essential way of life. One who was until recently employed in the service of this odious machinery – so devotedly that when he retired he was rewarded with a gleaming medal to hang on his chest from a dazzling ribbon – needs very little encouragement to lift a corner of the shrouded mysteries of what is called democratic government. A minister’s special adviser by trade, he recalls that if his boss was being harassed by too persistent a straggle of complainants his confidential advice would be to surprise them with an offer of a personal hearing when he could make any needful promises, to be ignored once the other side had gone trustingly on their way. This kind of tactic is possible because a government has a more enduring energy than the most stubborn of protesters, whose pre-occupation must be with getting their living.

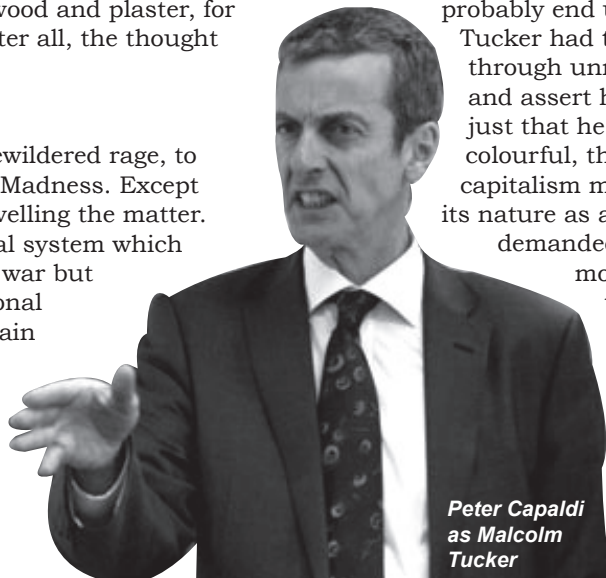
Tucker

Some flavour of this nauseous brew was the theme of the recent TV series *The Thick Of It* – the conflicting ambitions, the manipulation, the treachery... We should not be unduly influenced in our response to the series by it being too flagrantly a caricature, particularly in the odious spin-doctor Malcolm Tucker (who will probably end up in the House of Lords).

Tucker had to learn to communicate through unrelenting abuse to defend and assert himself and his career; it was just that he was more determined, more colourful, than the others. The affairs of capitalism must be conducted to meet its nature as a society – as abrasively as demanded by the privileges of class monopoly. It is in this process that predators such as Malcolm Tucker come to the surface. And a lot more – the wars, the contemptuous treatment of the victims, the deception and cynicism with which it is all defended.

Nothing can compensate us for this.

IVAN





Voice from the Back

Pollution and profits

Every vote-seeking politician in the world waxes eloquent about the urgent need for a curb to be placed on global emissions. They fly hither and thither across the world addressing congresses about their deep concern for the planet's future. Behind these vote catching antics however lies a more pressing problem – how to compete against international rivals in obtaining a larger share of the profits. At a recent meeting in Singapore those politicians showed where their real priorities lie. "A key element of the international plan to address climate change is in jeopardy after several of the most powerful nations failed to confirm a previous commitment to halve gas emissions by 2050. The Asia-Pacific Economic Co-operation (Apec) forum, which includes the US, China, Japan and Russia deleted their commitment from the final version of the official communiqué issued after a two-day meeting in Singapore. ...Most climate scientists believe that a 50 per cent reduction in global emissions by 2050 is the minimum needed to have a chance of avoiding catastrophic change." (*Times*, 16 November) For some national governments to reduce industrial pollution could be economic suicide. Their costs would go up and they would not be able to compete with other nations that had not reduced their pollution. Inside capitalism in the battle between less pollution or more profits there is only one winner.

Capitalism in action

The case for a transformation of society from one of class division to one of social ownership was made very powerfully by two recent press reports. Here is how the present class division favours a tiny minority. Take the example of John Paulson, a hedge-fund manager in New York. "His firm made \$20 billion between 2007 and early 2009 by betting against the housing market and

big financial companies. Mr. Paulson's personal cut would amount to nearly \$4 billion, or more than \$10 million a day." (*Wall Street Journal*, 15 November) At the other end of the class division we read of this. "According to the FAO, the number of malnourished people in the world rose to over 1 billion this year, up from 915m in 2008. Economists at the World Bank reckon that the number living on less than \$1.25 a day will rise by 89m between 2008 and 2010 and those on under \$2 a day will rise by 120m.." (*Economist*, 19 November) Some people trying to survive on a couple of dollars a day while some useless parasite rips off millions, don't you think we need a new society?

The next war?

Capitalism is an explosively competitive society. We have had two world wars. One was supposed to be "the war to end all wars" the other was supposed to be a "war for democracy". That was all nonsense of course. War inside capitalism is the logical outcome of competition for sources of raw materials, trade routes, markets and spheres of political dominance. Where is the next powder keg of competition? No one knows, but here is a possibility. "At the crossroads between east and west in the desert nation of Turkmenistan, a quiet battle is under way for natural gas, oil and influence, and the U.S. and Europe are losing out to China and the Muslim world. There's a lot at stake: the Central Asian country has the world's fourth-largest reserves of natural gas and substantial oil reserves, putting it in the same energy league as Saudi Arabia, Russia and Iraq. Plus, its position just north of Afghanistan could be hugely beneficial to NATO as it seeks more reliable supply routes to its troops on the ground there." (*TIME*, 29 November) Socialists are as clueless as everyone else about where the next conflict will arise. What we are certain

about is that thousands of men and women will die in conflicts in the future over their masters' quarrels. We are also certain that only world socialism can stop such a tragedy.

It must be obvious

"Hospital cleaners are worth more to society than bankers, a study suggests. The research, carried out by think tank the New Economics Foundation, says hospital cleaners create £10 of value for every £1 they are paid. It claims bankers are a drain on the country because of the damage they caused to the global economy. They reportedly destroy £7 of value for every £1 they earn. Meanwhile, senior advertising executives are said to "create stress". The study says they are responsible for campaigns which create dissatisfaction and misery, and encourage over-consumption." (*BBC News*, 14 December) Of course think tanks, because they are servants of capitalism, see everything in terms of pound notes, but even they must see that all useful work and a lot of useless work is carried out by the working class. The owning class produce no wealth whatsoever. All they do is consume wealth.



Free Lunch

