

socialist standard



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A shadow falls on Africa



The rat race
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Nice little
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The next meeting of the Executive Committee will be on **Saturday 3 September** at the address above. Correspondence should be sent to the General Secretary. All articles, letters and notices should be sent to the Editorial Committee.

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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.

If you would like more details about The Socialist Party, complete and return the form on page 23.



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Editorial

The real crimes of the mass media

VERY MANY disgusting crimes have been exposed in the phone-hacking scandal that eventually brought down the *News of the World* newspaper. But what really turns socialist stomachs is not so much the illegal excesses, vile as they are, but the bog-standard journalism that has as a result been defended and praised with such sanctimony in the other papers. It is well known, to anyone paying attention, that the press passes over the vastly more serious crimes of state power with silence. And the silence is a lie.

To be a truly effective liar, it is essential that you come to believe your own bullshit. So we have had the spectacle of *NotW* journalists defending themselves on the basis that it is necessary to peddle propaganda, lies and gossip to fund the truly great investigative journalism that also goes on. David Aaronovitch, writing for the *Times* (7 July), also swallows this argument in the name of accepting 'reality', as all grown-ups must of course do. In other words, truth-telling heroes, and Aaronovitch modestly includes himself among their number, must save their souls by supporting efforts to rein in the excesses, whilst apologetically defending the general principle of business as usual.

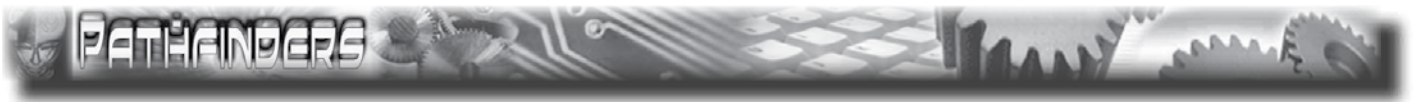
The truth is that the main job of tabloid newspapers is not to report the facts to a concerned, democratic citizenry, but to make profits. The working class generally has little interest in state policy decisions because they feel that they have no real say over it anyway. And they feel that not because they're stupid but because it's true. To make profits, therefore, the tabloids have to appeal to something the working class in general is interested in: sex, say, or football.

The same general principle applies to the liberal, so-called

'serious' newspapers, except they have to deal with a different audience: 'middle-class' types who believe that their careers and what they think is of some consequence. Of course, in a democracy, it is of *some* consequence: they have to be educated to accept capitalism and profit-making and ruling class power as an inevitable part of 'reality'. That's where Aaronovitch and his ilk do such an impressive job.

If you want something approaching the truth, turn instead to the newspapers addressed to the ruling class. These are better sources because the ruling class needs reliable information about the world so it can make suitable investment decisions. So, Martin Wolf for example, writing on the *Financial Times* website (14 July), blandly takes to be a matter of fact and plain common sense what the Aaronovitches and tabloid hacks of this world are obliged to dismiss as paranoid conspiracy theory. And this is that the media are businesses whose job is not just to make profits, but to mould public opinion. But it is intolerable for business in general if any one dictator should come to wield decisive influence. Wolf gives the example of Murdoch's Fox network in America, which has "distorted" public opinion so much as to give credence to "rightwing populism" – which threatens to put state power in the hands of ideology rather than true business interests.

Of course, from our point of view, it was equally intolerable that Murdoch should so influence public opinion as to build support for wars, from the Falklands to Afghanistan, and opposition to the class struggle, from the 1980s miners' strike to the most recent teachers' strike. But on these issues, the loud clamour over hacked phones in the mass media returns once again to a respectful silence.



Plastic waste – is there a solution?

'PROTECTING THE environment is in our hands' – a bold statement printed on a large supermarket chain's plastic bags. The implication is that *these bags* are special, better than before or better than other ones. But are they really? The implication is also that it is consumers who are responsible for the state of the environment depending on the choices they make. Much money is spent on advertising and public relations to convince us of that responsibility; buy our product and know you're supporting a worthwhile cause; use this product and do less damage to wildlife; for every one of these you consume 10p is donated to protecting dolphins/saving coral reefs/planting trees/rescuing donkeys etc, etc, ad infinitum. The poorly informed consumer, kept in the dark and fed mostly green bullshit is neatly handed the responsibility for consequences of decision making processes in which they played no part.

Plastics are polymers which do not, cannot, biodegrade. They cannot be decomposed by bacteria or other living organisms. What they do do is *photodegrade*, break down in light to smaller and smaller pieces, eventually becoming minute particles of polymer dust which stay around forever. Some of the latest technology claims that plastics with certain additives will degrade safely and more quickly given the correct conditions, i.e. carefully controlled landfills or industrial composters. The biggest challenge for composters is that they can only deal with discrete types of plastic and must not be contaminated with mixed lots – and they are few and far between because of the monetary cost.

Landfill conditions vary widely and are recognised by environmentalists as being far from the ideal method of dealing with plastics. Current estimates for worldwide recycling of plastics are in the region of less than 5 percent, one reason being that there are so many different kinds of plastic. Recycling codes on packaging and containers trick consumers into believing such waste *will* be recycled after collection but there are at least seven different codes, all requiring different, separate methods of treatment, the outcome being that most of it is just dumped.

As to how much is dumped it is probably impossible to say, however one recent estimate gives a figure of 65lbs of plastic waste per capita per annum in the USA. If we were to take a per capita figure for the whole of worldwide population of just 11lb per annum, 95 percent of which would be dumped, it works out at somewhere around 2.5 million tons. (At 10lbs 25 million tons, at 65lbs 160+million tons) – just plastic.

For many decades a number of countries

around the world had a policy of dumping household and industrial waste directly into the seas and although this policy has changed in certain areas the accumulated waste of plastic and its toxic chemical components is still there and is being added to daily. One estimate is that currently 80 percent of ocean rubbish is from the land and 20 percent from shipping. A single 3,000 passenger cruise ship accumulates about eight tons of waste weekly.

It was first predicted in 1988 that rubbish would be accumulating in the North Pacific gyre, a whirlpool created and moved around by the currents. Its existence was discovered to be true in 1997 when it was happened upon by Charles Moore returning from an ocean race when he sailed through a vast expanse of floating rubbish. The extent of the rubbish is difficult to measure as the particles are mostly broken down into tiny fragments and cannot be seen from the air, but they extend both outwards and downwards over an area variously claimed to be between the size of twice that of Texas and the overall size of the USA.

Subsequent ongoing research has determined that the plastic concentration in this gyre is 6-7 times that of zooplankton, the basic foodstuff of oceans, and is continuously ingested by wildlife along with the absorbed organic pollutants which it attracts. Decomposition leaches toxic chemicals such as bisphenol A, PCBs etc., causing hormonal disruption right through the food chain from the tiniest organisms to birds, fish, reptiles and mammals, including humans. Moore's team's research recently estimated this particular ocean gyre to contain in the region of 100 million tons of rubbish. In the past decade it has been confirmed that this huge ocean rubbish tip in the North Pacific is not alone; there are now known to be another four – one each in the South Pacific, North Atlantic, South Atlantic and Indian Oceans.

An informative website including a ten minute video can be accessed at www.algalita.org.

A trawl of the internet shows that there is little interest from big business in using less oil-based resources in general manufacturing and packaging; that landfill sites are full to overflowing with no solution in sight and scant reference from governments; that profit-based schemes win out over environmentally sound ones; that there are limited moves towards more recycling in only a minority of countries. China now both exports plastic goods and imports waste plastics for recycling and remanufacturing in order to export more plastic goods – at what cost to the environment? And the rest of the world is complicit because it's cheaper that way.

As consumers we can separate and recycle our rubbish diligently and have a (baseless) expectation that 'the authorities' will take care of the next stage but protecting the environment will only really be in our hands when the *system* is in our hands.

JANET SURMAN



Nuclear power

Dear Editors
 Re 'Pathfinders' in the July issue. Since 1960 all aircraft carriers and since 1955 all submarines in the United States Navy have been nuclear-powered. Their safety record (I understand) is impeccable, although one must remember that this is a "not-for-profit" organization.

The history of steam boilers in the 19th century was one of explosions on locomotives, factories and ships until effective standards of design were recognized.

Uses were found for boiler waste - ash and clinker from coal was used for breeze blocks, soot for fertilizer.

Surely with world socialism standards for reactors would be advanced and uses found for nuclear waste?

FRED MOORE, Canterbury

Reply: Your suggestion that socialism might develop safer and more reliable nuclear reactors is certainly reasonable, given that it wouldn't be trying to do nuclear on the cheap and skimping safety standards in favour of bigger profits. However nuclear power is not so nearly carbon efficient when one factors in build and decommissioning costs. It's also difficult to imagine how one could dispose of or indeed utilise waste which is toxic for tens of thousands of years, in any social system or with any known science. The most tempting solution would be to lob the stuff into space, however the consequences of a rocket explosion on launch or in the stratosphere hardly bear thinking about. Socialism might very well decide, for this reason alone, that nuclear power is just too hot to handle and look to a combination of other technologies, including reduction in energy consumption. - *Editors.*

Plainer English

Dear Editors
 Thank you for publishing my letter on plain English in the July *Socialist Standard*. Unfortunately (and also ironically, given the subject-matter), you omitted part of a sentence in the editing/typesetting process, leaving it meaningless. The sentence in question actually read as follows in my original email

(the section omitted is highlighted in italics):

An "issue" is a bone of contention, but there is certainly no contention (at least among socialists) that a lack of money in the capitalist world is nothing less than a major problem for the vast majority of the population suffering from the affliction.

MARTYN DUNMORE, Brussels

Closed-minded academics

Dear Editors
 It is infuriating to listen to those sociologists and similar 'social scientists', particularly the contributors Professor Laurie Taylor has on his *Thinking Allowed* programme (BBC Radio 4). These academic circles define the world in a multitude of classes, minutiae of people's behaviour and so on. They publish books etc on post-communist societies and countries, which reinforce the view that communism has existed. These learned intellectuals stick to the accepted view that communism equals totalitarian state government with central control by a ruling elite. In their lazy thinking that's it and any advance can only be to liberal democracy or, if they are a little radical, to social democracy.

These so-called intellectuals have never bothered to address what is communism/socialism. They don't seem willing to make the effort to find what Marx and others meant in defining communism/socialism. Because they are part of

the intellectual establishment and its output of publications reinforcing stereotypes, they effectively lie or at least mislead about the real meaning.

These people give legitimacy to the view that communism/socialism has existed and is now replaced with a better system. They obfuscate the definition of Marxism on the grounds that we have moved on to the better system of 'democracy' but they also misrepresent even this. How do we attack these closed-minded academics and get them to try original thought to their convoluted and erroneous conclusions?

STUART GIBSON, Wimborne, Dorset

Resource database

Dear Editors
 Congratulations to Stefan on the excellent article, 'Money - a waste of resources' (*Socialist Standard*, July). In my view this is just the sort of empirical approach needed to clinch the argument for socialism, and one that I've promoted via www.andycox1953.webs.com.

Theory has its place, but let's face it, more often than not, a theoretical exposition on Marx's labour theory of value or the class struggle is likely to be met with a snort of derision or a glazed expression. Facts on the other hand have a kind of primacy that demands a considered response. Hence the urgent need for a robust, wide-ranging, and up-to-date database which Socialist Party members and others can access.

A word of caution, however, should be added at this juncture:

When constructing a database, one is likely to come across countless factual inconsistencies. Stefan's source, for example, has it that there are '145,000 people working at casinos and other gambling joints (in the US)'. In my webs.com database, I cite a source ('Economic Impacts of Commercial Casinos and On-Line Gambling' by Alijani, Braden, Omar and Eweni, 2002 (?)) which produces statistics showing that there were 364,804 commercial casino jobs in the US in 2001 (205,151 in Nevada alone).

ANDY COX (by email)

Cartoon by Kuhn/Bird



RAT RACE

EVERYBODY KNOWS that, despite the best efforts of scientists, nobody can predict the next natural disaster with any confidence. That's one reason why planners and decision-makers don't take better precautions, a fact which gives critics good reason after the event to take aim with their telescopic hindsight. Given the same science, socialism would obviously be no better at prediction. The question is whether it would be better at precautions.

The United Nations currently tries to take a formal Health & Safety approach to the subject, with risk assessments, control measures and all the other tedious but important procedures now imposed by law in many countries (UN International Strategy for Disaster Reduction at www.unisdr.org/who-we-are/what-is-drr). But, as workers will know from their own workplaces, the devil is in the enforcement. In a private property society one simply does not have the option of moving a population from a high-risk area to an adjacent low-risk one. Nor is the UN able to force national governments to comply where spending money is involved, despite the financial costs of ignoring the problems. According to the UNISDR, the year 2011 was already, by July, the highest ever loss-year on record, largely thanks to the Sendai earthquake, but the general trend is worsening: 'the risk of economic loss is now rising faster than wealth creation'. According to an Oxfam report last year, 250 million people a year are affected by natural disasters of which around 98 percent are weather-related. And they are getting worse. The rate of weather disasters in poor countries has tripled since 1980, one suspected cause being climate change (www.350resources.org.uk/2011/05/23/).

But how 'natural' are these natural disasters? The report's author is scathing on the matter: 'There is nothing natural about poor people being on climate's front line. Poverty, poor governance, patchy investment in the preparation and prevention of disasters all stack the odds against the most vulnerable. The future is going to be very bleak for millions of poor people without a shake-up of the ways we prepare and respond to disasters, and without real progress on reducing poverty and addressing climate change.'

In its obsessive attention to individual bank balances, capitalism cannot even respond properly when a 'natural' disaster threatens not thousands but millions, when the imminence is well established, and when the cause is known and the solutions are straightforward.

People older than 40 will clearly remember the Ethiopia famine of 1984-5, the iconic, tragic pictures, the gut-wrenched reports from seasoned reporters fighting down tears, the gradual, dawning realisation by the whole world of a disaster of biblical proportions, the Live Aid concerts, *Feed the World* and *Do They Know It's Christmas?* The UN estimated that eight million people were affected in that famine and that one million died. It seems almost beyond comprehension that, in spite of the songs and the sentiments and the coins in the tin,

the world could allow the same thing to happen to the children and grandchildren of those survivors.

At the time of writing the developing crisis in Somalia, Ethiopia, Kenya, Sudan and Djibouti is not on any front pages yet, but is already being described as the world's worst humanitarian disaster. With up to twelve million people affected it threatens to dwarf the 1984-5 famine. Nature, in one of its typically mercurial moods, has decided to prolong its dry La Niña cycle so that the rains have failed for the last three successive rainy seasons, making it the worst regional drought in 60 years. As famine takes hold, local food prices have rocketed, exacerbating the problem. Regional fighting in Eritrea and Somalia has complicated matters further, while the Ethiopian government response has been poor and Somalia's government response has of course been non-existent.

Yet the UN Food and Agriculture Organisation (FAO) has been predicting this crisis for months: 'The FAO repeatedly issued warnings about the effects of La Niña, but few contingency plans were put in place. That is why there is a shortfall of about 40 percent in the money needed to tackle the crisis' (*New Scientist*, 9 July).

It surely can't only be socialists who understand that the main reason for this disaster-in-the-making is that the people concerned are black, they've got no money, they've got nothing anybody wants, and that's why they're going to die. It can't have escaped notice that disasters which strike poor people are always more disastrous than those that strike the better-off. Any lingering doubts on this question should have been dispelled by the events of the recent Haiti earthquake.

Haiti was of course hit by a natural disaster nobody could foresee, followed by cholera unfortunately brought in, it seems, by a UN contingent sent there to help. But Haiti, the poorest country on Earth, is nevertheless on

America's doorstep, under the eyes of the world's press, and images of spectacular urban destruction helped motivate the world to action. It is also a small country, easy to cover from the air, with a road system. The Horn of Africa is remote, huge and inaccessible, and besides there is nothing spectacular or newsworthy about hunger. It hides behind the news like perpetual background noise, audible but not quite loud enough to make it onto our busy agendas.

Until it surges into the limelight on those rare occasions when 'perfect famine' conditions combine to force it into

the headlines. And then everybody blames the victims for overbreeding because they can't be bothered to find out the real reasons, and bungs a tenner to Oxfam because they can't be bothered to find out the real solutions. And they won't blame the social system, because like the weather it's just a fact of life, it's always there and it can't be changed.

But humans have already managed accidentally to change the global weather system. The urgent task for socialists is to make humans realise they can deliberately change the economic system too. Such a realisation will be too late for the people starving right now in East Africa. But it would make sure that nobody ever starves again, anywhere. Nature is not our worst enemy, capitalism is. Feed the world? First, *free* the world.

PJS



Southsea bubble

ON 17 JUNE the papers reported the failure of a bank. It was only a small bank in Hampshire with a single branch. But it was a bank, subject to the same regulations and basic practices as any high street bank. It took in deposits and loaned out money.

Called the Southsea Mortgage and Investment Company, it had 267 depositors whose deposits totalled £7.4 million (*Daily Express*, 17 June) and lent money to people, mainly to buy a house, or to finance property developments. It was the failure of one of its property investments that led to its assets becoming less than its liabilities. In short, to becoming insolvent, to it not having enough assets to cover the value of its liabilities, in particular what it owed its depositors.

The Southsea bank was set up fifty years ago. At that time all UK banks were required to keep a "cash ratio" of 8 percent, which meant they had to retain 8 percent of all money deposited with them as cash. The other 92 percent they could lend out at interest. Interest is of course the main source of any bank's income, its profit coming from charging a higher rate of interest to lenders than it pays to its depositors.

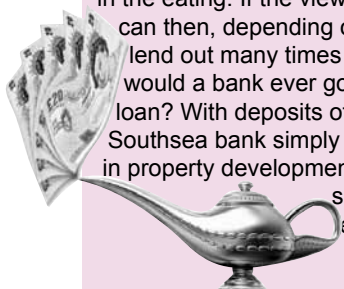
This is still how banks operate today, even though there is no longer any formal requirement for a bank to keep 8 percent of deposits as cash. It's now up to their own business judgement to decide how much or how little money they can safely retain as cash (or assets quickly convertible into cash) to meet withdrawals.

Some people think that a cash ratio of 8 percent means that, when someone deposits £100 in a bank, that bank can then immediately lend out an amount of which £100 is 8 percent, i.e. £1250. They claim that banks can "create money" (make loans) "out of thin air". But this can't be. What an 8 percent cash ratio means is that if someone deposits £100, the bank can lend out £92.

The "thin air" school of banking is based on a misunderstanding of something that is in economics textbooks about what the whole banking system can do over a period of time. The textbooks set out a scenario of what happens to the £92. They assume that it will be spent and will eventually be redeposited in some bank. That bank now has a new deposit of £92 and so can lend out 92 percent of it, or £84.64. The same will happen to this, and 92 percent of it (£77.87) can be loaned out. In the end loans totalling £1250 will have been made, which is 12.5 times the original deposit of £100.

The loans have not been made out of thin air, but out of successive deposits totalling £1250. Certainly, the same sum of money has been used to make these loans, but that money circulates and can be used to make more than one transaction is one of its features. So nothing remarkable there either.

The proof – or rather the disproof – of the pudding is in the eating. If the view that a bank on receipt of £100 can then, depending on the cash ratio, immediately lend out many times that amount were true, why would a bank ever go bankrupt from making a bad loan? With deposits of £7.4 million why didn't the Southsea bank simply write off the bad investment in property development and "recreate" a loan of the same amount for something else?



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Fleecing the Flock

WHETHER THERE is an Indian version of the *Sunday Times* rich list we don't know but if there is you're unlikely to find Lord Vishnu on it – even though the value of just some of his recently disclosed wealth is estimated at well over £12 billion.

You might imagine, considering the absolute poverty in India, that this would cause a certain amount of resentment but it doesn't seem to have done. Lord Vishnu is very popular. What's more, his method of accumulating wealth is entirely legal, tax free and doesn't involve any risky re-investments of his capital. People just give him their money. So what's his secret? Well Vishnu is no ordinary lord.

Lord Vishnu, you see, doesn't actually exist. He's a Hindu god. His treasure is real enough though. And the recent discovery of six vaults crammed full of gold, silver and precious stones resembles a fantasy story which could have come straight from the pages of the *Arabian Nights*.

Suspecting that the contents of the Padmanabha Swamy temple at Kerala, which contained the offerings made by devotees over the last 500 years, ought to be worth a bob or two, India's supreme court ordered an inventory. What they found was a vast hoard estimated to be worth £12.6 billion; even before the last of the six secret vaults was opened. "All of Kerala is celebrating this extraordinary find," said a temple official. And why not? Surely this could finance a few hospitals or schools at the very least?

However, as is always the case, the needs of the gods come before human needs. This windfall which appeared to have

dropped literally from the lap of a god will probably be snatched, or rather handed, straight back to him. "It belongs to the Padmanabha Swamy temple and will be preserved there," said Oommen Chandy, Kerala's chief minister, firmly rejecting the idea that it should be used for public benefit.

You have to hand it to religion – literally it seems. Unlike any other business, it simply convinces us to willingly hand over our money. Just to put it in context though, how does this act of generosity compare to the wealth given to some of the US TV evangelists by their gullible followers?

The vast Trinity Broadcasting Network run by Paul and Jan Crouch is said to be available on more than 3,200 television stations. It is also involved in religious movie production and owns a number of Christian theme parks.

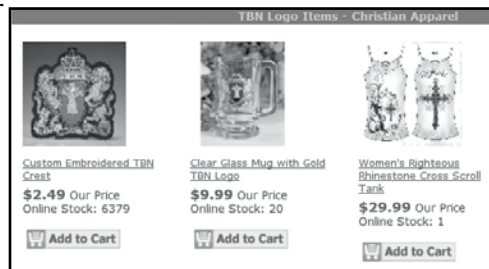
According to Ministry Watch (an evangelical organisation which claims to review ministries for financial accountability and transparency) Trinity Broadcasting's net assets are \$ 859,188,000.

According to Crouch when you donate to Trinity Broadcasting you, in turn, receive a divine financial blessing. "When you give to God, you're simply loaning to the Lord and he gives it right on back."

A smaller outfit whose net assets are listed as a mere \$ 62,118,000 is the Bible Broadcasting Network. And the list of multi-million dollar bible bashing factories goes on and on.

What's that bit in the bible about it being better to give than to receive?

NW



Praise the Lord with Paypal

Tiny Tips

Thousands of British schoolgirls as young as eight face being taken abroad this summer to have their genitals mutilated and stitched up to preserve "purity". A campaign by the Metropolitan Police and Foreign Office will suggest that more than 22,000 girls under the age of 15 risk being taken abroad by their family for "cutting", based on data from The International Centre for Reproductive Health. Girls may have their outer genitals removed and stitched up to preserve their virginity, with an opening as small as a matchstick head, meaning it can take up to 20 minutes to urinate:

<http://tinyurl.com/3ee8onr>

Anyone who thinks slavery ended with the 13th Amendment is not paying attention. According to the latest State Department statistics, as many as 100,000 people in the United States are in bondage and perhaps 27 million people worldwide. The numbers are staggering:

<http://tinyurl.com/67dhmrl>

Just counting work that's on the books (never mind those 11 p.m. emails), Americans now put in an average of 122 more hours per year than Brits, and 378 hours (nearly 10 weeks!) more than Germans. The differential isn't solely accounted for by longer hours, of course—worldwide, almost everyone except us [in the USA] has, at least on paper, a right to weekends off, paid vacation time (PDF), and paid maternity leave. (The only other countries that don't mandate paid time off for new moms are Papua New Guinea, Sierra Leone, Liberia, Samoa, and Swaziland.

<http://tinyurl.com/43aolck>

Every hour, more than 1,300 severed pork heads go sliding along the belt. Workers slice off the ears, clip the snouts, chisel the cheek meat. They scoop out the eyes, carve out the tongue, and scrape the palate meat from the roofs of mouths. A woman next to Garcia would carve meat off the back of each head before letting the denuded skull slide down the conveyor and through an opening in a plexiglass shield. On the other side, Garcia inserted the metal nozzle of a 90-pounds-per-square-inch compressed-air hose and blasted the pigs' brains into a pink slurry. One head every three seconds. A high-pressure burst, a fine rosy mist, and the slosh of brains slipping through a drain hole into a catch bucket. (Some workers say the goo looked like Pepto-Bismol; others describe it as more like a lumpy strawberry milkshake.) When the 10-pound barrel was filled, another worker would come to take the brains for shipping to Asia, where they are used as a thickener in stir-fry. Most days that fall, production was so fast that the air never cleared between blasts, and the mist would slick workers at the head table in a grisly mix of brains and blood and grease:

<http://tinyurl.com/6yy6agp>

Here's one financial figure some big U.S. companies would rather keep secret: how much more their chief executive makes than the typical worker. Now a group backed by 81 major companies — including McDonald's, Lowe's, General Dynamics, American Airlines, IBM and General Mills — is lobbying against new rules that would force disclosure of that comparison. In 1970, average executive pay at the nation's top companies was 28 times the average worker income. By 2005, executive pay had jumped to 158 times that of the average worker

<http://tinyurl.com/64mz7nh>



Hacking? Who's hacking?

“SUNDAYS WON'T be the same again,” whined the Political Editor. Or rather the ex-political editor of the abruptly defunct, paedophilia-hounding, police officer-corrupting, phone-hacking, record-circulating *News Of The World*. No more blearily turning the pages for a weekly dose of insight into the chaotic privacy of a select few handily grouped under the shield of celebrity. No more envious excursions into a growingly denser jungle where the more luxurious the undergrowth the larger the financial profit. Never the same again? Are there any who would be ungrateful for such a small mercy? Even accepting that it came swaddled in breathtaking hypocrisy?

BSkyB

The earlier reaction to Rupert Murdoch ending the *News Of The World* was that it was the tycoon's punitive response to the exposure of the paper's habitual intrusion into the private lives of anyone liable to be regarded as newsworthy through hacking into their telephones. However within an hour or so a more acceptable explanation came onto the scene. For some years Murdoch's News International had been manoeuvring to take over the 61 percent of shares it does not hold in BSkyB, which is estimated to yield them some £1 billion profit during the next financial year. It seemed like good balance-sheet sense to help this process by surrendering the *News Of The World's* comparatively modest £12 million annual profit – apart from the prospect of the tighter binding of Murdoch's relationship with the Tory and Labour leaderships, with all that promises in terms of future concessions for his media machine. It is a long time since political leaders have operated with no regard for the ambitions of that fearsome magnate. A long time since a Prime Minister has omitted to invite Murdoch and his underlings to one of those regularly sickening ventures into terrified sycophancy among the lawns and terraces of Chequers. And, until the events of recent weeks, it was promising to be a long time before that situation changed.

Gotcha

In essence it was a simple strategy. The party leadership and their advisers paid heed to the prejudices, fears and misconceptions which were stimulated by, and advantageous to, the Murdoch operation and calculated that these could be applied to their electoral advantage. In other words, the Murdoch empire could win elections – a theory which might be said to have fitted in with events in this way:

1969 Murdoch buys the *News Of The World* and the *Sun*, revamped from the successor to the old *Daily Herald*.

1979 The Tories under Margaret Thatcher and supported by the *Sun* win the general election against an exhausted and demoralised Labour Party.

1981 Thatcher's government supports Murdoch's recently formed News Corporation bid to buy the *Times* and the *Sunday Times* – with the predictable guarantees of “editorial independence”.

1983 After surviving a number of problems during their early days in power the Tories win an emphatic majority, helped by patriotic hysteria over the Falklands war, marked by the full-page headline in the *Sun* screaming GOTCHA! over the sinking of the *Belgrano*.

1987 Another Tory election win, with a majority reduced probably in reaction to Thatcher's impending replacement

by John Major

1992 John Major, struggling against the Eurosceptics “bastards” in his party, notches up an unexpected election victory. The *Sun* helps him on his way by devoting its front page to a request that in the event of Neil Kinnock's Labour winning “...will the last person to leave Britain...turn out the lights”. Then crows that “It was the *Sun* wot won it.”

1997 With the Tories descending into a confusion of sleaze, economic chaos and scandal Murdoch joins forces with his persistently loyal friend Tony Blair and his party, and Labour win the election in a landslide.

2010 After Murdoch defects to support the Tories, Gordon Brown's Labour Party loses the election, replaced by a fractious Coalition.

2011 As the hacking scandal breaks into the open previous assumptions about electoral alliances, governmental stability – and the influence of the Murdoch clan – need to be re-assessed.

Profit

That ex-Political Editor told us why he grieved at the closing of the *News Of The World*: “Villains, paedophiles and corrupt politicians will be able to sleep more soundly now that the greatest investigative newspaper on Earth has gone.” He did not mention that such newspapers work so devotedly to unearth their scoops in the cause of higher sales, advertising revenue and investment – or that in that process a significant clutch of criminals and corrupt politicians are enabled to stay active. One investor in News Corporation, the Church of England, held £4 million worth of shares overseen by a body incongruously known as the Ethical Investment Advisory Group which described the *News Of The World's* hacking campaign as “utterly reprehensible and unethical”. Compared to that, and in the present crisis in the industry, the advice of Murdoch's favourite son James, chairman of News International, to the 2009 Edinburgh Television Festival, that “the only guarantee of independence is profit” reads as more illuminating and useful – if menacing. Among the terrified hysteria of Westminster, the panic of laggardly journalists and manipulatory police officers, the figures – an expectation of £135 million a year circulation revenue, £38 million advertising income, and, if the bid for BSkyB succeeded there would be an additional £1.6 billion a year – carried more weight than the exotically titled, smugly gambling excuses of the clerics. The simple fact is that what we know as the media, in all its forms, is no different in its need to conform to the rules and demands of a commodity society. Unavoidably, politicians saw it as a priority to foster such ambitions in the assumption that come the next election it would yield a rich harvest of votes. The sudden flooding of these facts into what is known as ‘the public domain’ provoked widespread outrage. Another example of the urgency for the ‘public’ to react in a proper, reparative manner.

IVAN



Africa – starvation and speculation

Starvation – the inability to buy the things to sustain life – is still stalking Africa.

George Soros is one of the great men of capitalism. He's the Chairman of Soros Fund Management, a Hedge Fund that is estimated to have assets of approximately \$27 billion, and the vehicle that has enabled him to become the 35th richest person in the world. He's admired in the financial world as the "The Man Who Broke the Bank of England" when he pocketed a reported \$1 billion in 1992 from the Black Wednesday UK currency debacle. He's renowned for his philanthropy and as a supporter of liberal ideas. He has been described as a "distinguished thinker". Consequently people take notice when he asserts that: "Most of the poverty and misery in the world is due to bad government, lack of democracy, weak states, internal strife, and so on" (www.woopidoo.com).

It's fortunate that Soros decided to become one of capitalism's speculators rather than a doctor, because his diagnosis of poverty and misery is simply a list of a few of their symptoms. The business Soros is a "respected" member of, and his charitable interest in Africa through the Soros-affiliated organisation, the

Open Society Initiative for Southern Africa, coincided with a BBC report last year (8 June) that: "Hedge funds are behind 'land grabs' in Africa to boost their profits in the food and bio-fuel sectors... Hedge funds and other speculators had, in 2009 alone, bought or leased nearly 60m hectares of land in Africa – an area the size of France". The word 'profits' in the BBC's report is the cause of 'poverty and misery'.

Global food prices have hit all-time highs during the past year, which is the driving force behind the African "land grab". The BBC reported (23 June) that: "The World Bank says that since June last year, rising and volatile food prices have led to an estimated 44 million more people living in poverty, defined as under \$1.25 (£0.77) a day. It estimates that there are close to one billion hungry people worldwide". The G20 ministers' two-day meeting in Paris in June did nothing to resolve any of these problems, as the same BBC report went on to say: "They have agreed to look at new rules to tackle food price speculation. However, it remains to be seen whether these will be adopted. This is because any moves to target speculators in the

food commodity markets will have to be agreed by G20 finance ministers at a later date." Not very good news then if you're starving now.

Duncan Green, Head of Research for Oxfam GB gave his appraisal of the G20 meeting on his blog (www.oxfamblogs.org): "Verdict on G20 food summit? Dismal, please try harder." And Deborah Doane, director of the World Development Movement said: "The UK government's stance in defence of excessive speculation is untenable. It must put its weight behind European plans for regulation, putting the needs of hungry people before the profits of banks like Goldman Sachs and Barclays Capital" (wdm.org.uk).

Africa

Africa is the embodiment of capitalist exploitation. For almost four centuries it has been systematically plundered for its raw materials and human labour. Although the African slave trade dates back to the 7th century with the Muslim conquest of the southern Mediterranean basin, and was also a well-established part of the institutional structure of African society, it never gained any real



George Soros

economic momentum until it came into contact with European traders.

By the middle of the 17th century capitalism was throwing off the fetters of European feudalism. Britain was at the forefront of that change. The agrarian capitalist of the past few centuries was giving way to the industrial capitalist, and the African slave trade played a leading role in the growth of that embryo.

At the start of the eighteenth century the British trade in slaves was dominated by London-based merchants, but after 1730, Bristol and finally Liverpool saw the majority of slave ships sail from their ports to acquire their human cargo. The returning cargoes were the product of the slaves' labour: sugar, tobacco and the industrial input – raw cotton. This set in motion a dramatic expansion in intercontinental trade, vital to the development of capitalism. The importation of sugar, tea and tobacco were the foundations of consumer expansion, as was their re-export. As was to a larger extent the production of cotton, which was a significant factor in America's primitive accumulation of capital and its advance towards a capitalist state.

The trade in human labourers thrived until the early nineteenth century. Throughout this period the death knell for slavery was steadily being rung by the growth in wage labour. With slavery the slave is the commodity, with wage labour the labour-power of the worker is the commodity, the buyer of which is the capitalist and the seller is the labourer. The price of that labour-power is the wage paid to the labourer.

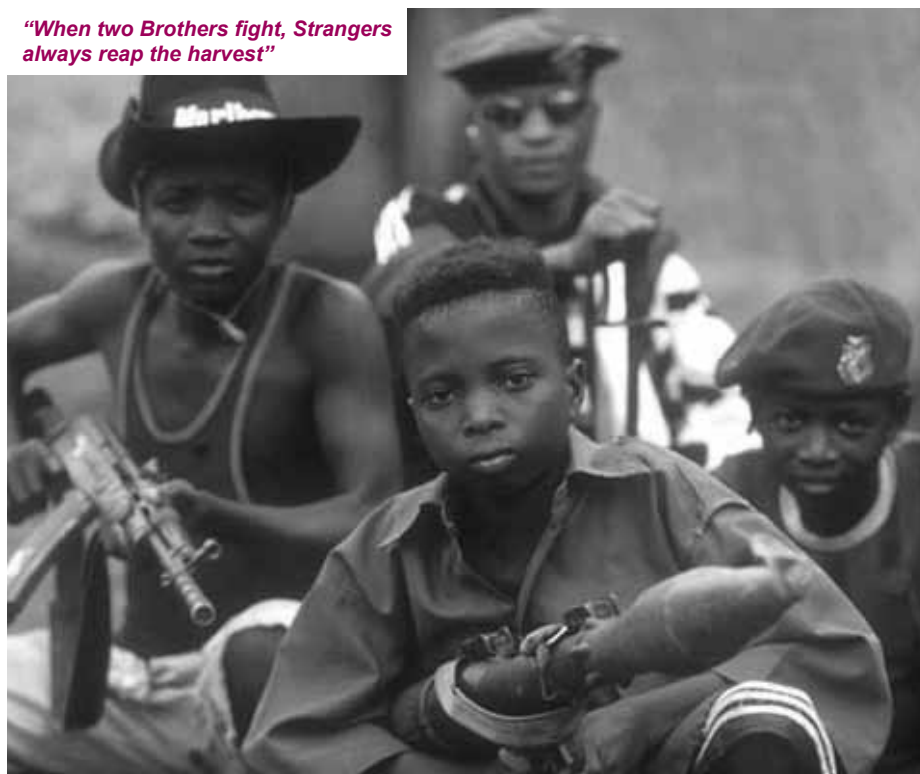
The emergence and expansion of waged labour was the defining element in the growth of capitalism. Within the space of a few centuries a substantial segment of global society

had undergone a transition from one means of feeding, clothing and sheltering itself to another. The trade in African slaves and the concomitant growth in consumer commodities created new capital, new markets, new technology, new mercantile methods, and helped to bring about the exponential growth in waged labour. However, the conclusion of the legalised trade in African slavery simply led to a new quest for profits.

Empire

The historian J R Seeley argued in 1883 that "Britain acquired an empire in a fit of absence of mind". Germany, France, Portugal, Spain, and Belgium must also have been visited by the same malady, and at exactly the same time. Most of Africa was colonised by the European powers by the time of Seeley's book.

"When two Brothers fight, Strangers always reap the harvest"



New markets and new materials to profit from have to be continually sought. When located they must be protected by the state. That is the logical solution to an economic imperative integral to capitalism. State-backed capitalists and speculators, like Soros, throughout Europe had common aims in the late nineteenth century – expansion into Africa.

The natural resources freely available in Africa were a prize that most capitalists would logically covet. An illiterate and unorganised labour force was an added incentive. Draconian work methods were imposed on the workforce to extract those resources that made contemporary European factories seem almost genteel.

There's an Ibo saying "when two Brothers fight, Strangers always reap the harvest". That encapsulates the aftermath of European imperialism in Africa. From Algeria to Zimbabwe almost every African state has been affected by war for decades. The control by small elites of natural resources remains the prime cause for much of the slaughter, poverty and misery which are by-words for the daily lives of many, many Africans. Western capitalists and speculators, remain as firmly entrenched in Africa today as they were during Cecil Rhodes's era who summed up the capitalist view of Africa: "We must find new lands from which we can easily obtain raw materials and at the same time exploit the cheap slave labour that is available from the natives of the colonies. The colonies would also

Employees at a Chinese-run factory in Kampala, Uganda



provide a dumping ground for the surplus goods produced in our factories” [brainyquote.com].

Modern land grabs

A new impetus is driving capitalism’s elite – how they can profit from mass hunger. The *Observer* reported last year (7 March) that a “land rush” in Africa: “has been triggered by the worldwide food shortages which followed the sharp oil price rises in 2008, growing water shortages and the European Union’s insistence that 10 percent of all transport fuel must come from plant-based biofuels by 2015... Leading the rush are international agribusinesses, investment banks, hedge funds, commodity traders, sovereign wealth funds as well as UK pension funds, foundations and individuals attracted by some of the world’s cheapest land.” But it isn’t just land that’s of interest: “the Saudi investment company Foras, backed by the Islamic Development Bank and wealthy Saudi investors, plans to spend \$1bn buying land...but is also securing for itself the equivalent of hundreds of millions of gallons of scarce water a year. Water, says the UN, will be the defining resource of the next 100 years”.

Even the academics are not shy when it comes to turning a profit, as the *Guardian* reports (8 June): “Harvard and other major American universities are working through

British hedge funds and European financial speculators to buy or lease vast areas of African farmland in deals, some of which may force many thousands of people off their land, according to a new study.”

China began its search for raw materials much earlier as the BBC reports. “In almost every corner of Africa there is something that interests China. The continent is rich in natural resources that promise to keep China’s booming, fuel-hungry economy on the road. There is copper to mine in Zambia, iron ore to extract in Gabon and oil to refine in Angola.” But like all such reports the writer is compelled to include the benefits for the workers: “Many Chinese firms employ large numbers of local workers but wages remain low. However, there is evidence that workers are learning new skills because of the availability of Chinese-funded work. Taking advantage of low labour costs, the Chinese are also building factories across Africa. Observers say Beijing appears ready for the long haul in Africa” (26 November 2007). And why wouldn’t they have every intention of staying? Cheap, unorganised labour, and an abundance of nearby natural resources is the fulcrum that creates new capital. A few Chinese capitalists will enrich themselves, but the African workers who produce those riches through their labour power will live out their lives in poverty and

misery.

Slavery is still with us or what is nowadays termed “forced labour”. The International Labour Organization (ILO) estimates that there are at least 12.3 million people in forced labour worldwide; 660,000 of those in Sub-Saharan Africa. As much as slavery is alive so too is the slave mentality – imploring the master to be kind. However, the master is capitalism and it is out of any organisation’s or individual’s control. It cannot be legislated away. There is no lever to be pulled or button to be pressed that can make it more humane.

The World Development Movement asks its supporters to become involved by cycling from London to Paris, recycling your phone, putting WDM in your will, getting green energy, and investing ethically. I’m sure that George Soros and his class are trembling in fear at their proposals.

Starvation caused by poverty – the inability to be able to buy the commodities that can sustain your life – seems to be looming large for a great many of our fellow human beings. Anyone who genuinely wants an end to poverty has to confront the cause. The cause is the profit system. Capitalism. The only cure is a socialist revolution, not a bicycle ride to Paris.

ANDY MATTHEWS



The rise of capitalism

The capitalist system is the most productive mode of production in the history of humankind. In the space of a few centuries the world has been transformed beyond all recognition. Average life expectancies have more than doubled. Technological developments occur at a rate that would have been previously unimaginable. More food, clothing and shelter can be produced using less labour than ever before. It would seem that the material problems of survival have finally been solved.

Yet capitalism is a system at odds with itself. The need for constant accumulation is the driving force of society, determining where and in what way human energies will be used. Instead of humankind controlling the fulfilment of its own development, humanity is at the mercy of an economic system which it has itself created. It is the conflict between the need to accumulate capital and the need to fulfil human want that is at the heart of all social problems today.

Enough food could be produced to feed all of the world's population, yet people go hungry. Why? Because those in need of food do not have the money to pay for it. Industry pumps pollutants into the environment yet less destructive methods of production could easily be utilised. Why? Because more profit is to be made this way. Vast wealth co-exists with abject poverty leading to an ever-widening gap between rich and poor. Why? Because capitalist accumulation is dependent on the exploitation of the wage labourer.

Transition from feudalism

The transition from feudalism to capitalism is often viewed as the result of a gradual and rising progress of technology, urbanisation, science and trade – inevitable because humans have always possessed “the propensity to truck, barter and exchange” (Adam Smith). However, as writers such as Ellen Meiksins Wood and Robert Brenner have demonstrated, the rise of capitalism depended on very specific and localised conditions and

was the result of a process that was far from automatic.

The relatively recent change from a primarily agricultural society of petty producers to a society of commodity production and market dependence required a change in the social relations at the heart of society. The central relationship instead of being between landlords and un-free peasants became one between capital-owners and propertyless wage-labourers. Such a change could only be bought about by a complete rupture with the old relations of human interaction.

By the 17th century trade, mercantilism and money lending had grown and developed in Europe but these by themselves did not undermine the foundations of feudal society. The mere existence of commodity production, merchants' capital and money lenders' capital are necessary but not sufficient conditions for the full development of capitalism. “Or else ancient Rome, Byzantium etc. would have ended their history with free labour and capital” (Karl Marx).

Only in England were conditions right for the essential prerequisite to take hold, capitalist relations in agriculture. The later industrial revolution would have been extremely unlikely without an agricultural sector that was productive enough to support it.

These changes can be explained by looking for the ‘prime mover’ in society. In capitalist societies this is the need to accumulate capital. In feudalism the need to maintain class position takes this role.

In order to maintain and improve their position as members of the ruling class and to defend it against their rivals, their underlings and moneylenders, the pressure was on feudal landlords to increase rents. In capitalism surplus wealth is extracted through economic means; it is because of the market-dependency of the wage-labourer that labour-power is sold. In feudal society, as the peasants have their own means of production, surplus must be extracted via ‘extra-economic’ methods through the real or ultimate threat of force, which explains their un-free status.

“Capitalism is a system at odds with itself”

By the mid 15th century through ongoing resistance and evasion the peasantry of much of Western Europe including England, were able to break the shackles of serfdom and gain their freedom. This proved a problem for landlords as they could now no longer depend on arbitrary peasant labour or duties and income from rents fixed long-term by custom, the value of which tended to decrease in the face of rising costs.

In order to counter this tendency in England, more easily than in other western European countries, landlords were able to appropriate peasant holdings that had become vacant due to a falling population. These properties were able to be leased at rates in excess of customary rent.

Another option available to landlords was the imposition of fines and levies. Charges could be made whenever land changed hands or was inherited and many landlords used these as a method for removing customary peasants from their land so that competitive commercial rents could be charged. However this process did not go on unchallenged; widespread and fairly successful peasant uprisings were a recurrent theme for much of the 15th century. This trend continued into the 16th century with security of tenure and the question of fines being core to what became known as Kett's rebellion of 1549. If successful such events may have "clipped the wings of rural capitalism" (Stanley Bindhoff), but they were not and by the end of the 17th century around 70-75 percent of cultivatable land was under the control of English landlords.

In France the property rights of peasants developed along a different line. The monarchical state had evolved into an independent collector of tax and had the power to draw revenues from the land; it had an interest in curbing the rents of landlords, so that peasants could pay more in taxes. The state was thus in competition with the lords for surplus peasant product and for this reason often intervened to secure peasant freedoms and property. French landlords had a legal difficulty in occupying vacant peasant lots and so the majority of the land remained under customary rents. The state used peasant production as a direct source of revenue and increased its power by intervening in matters between peasants and landlords to guarantee the continuity of the system.

This can be contrasted with the form of state that developed in England during the Tudor period (1485-1603). Here monarchical centralisation was dependent on the support from landlords, evident from the growth of parliamentary institutions of the period. The weakness of the English peasantry deprived the monarchical powers of a means of generating an income independently of landlords. Powerful elements of the nobility and gentry would support the monarchy's centralising efforts in the hope of achieving the stability and order necessary for their own economic growth. It was however these same elements from the landlord class who had the strongest interest in freeing themselves from customary peasants and replacing them with commercial

tenants.

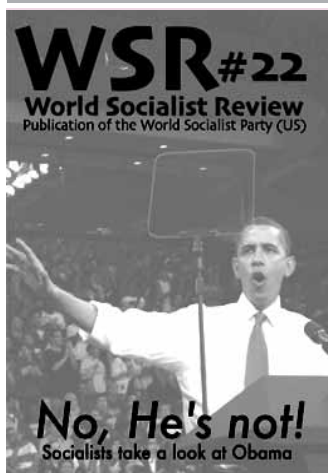
The nature of the two different states can be illustrated by the content of peasant revolts in the two countries. In England, revolts were directed against the landlords in an attempt to protect peasant ownership against the encroachment of capitalistic property relations. In France the crushing taxation of an absolutist state was the source of the peasants' grievances.

Market dependency

English landlords controlled a large proportion of the best land but didn't have, or need, the kinds of extra-economic powers that other European feudal ruling classes depended on. Instead they largely depended on the increasing productivity of tenants and required the state only as a means of protecting their private property and enforcing contractual obligations. In England, unlike anywhere else, an increasing amount of rents took the form of economic leases being fixed not by law or tradition but variably priced according to market conditions. For tenants this meant having to respond to market imperatives and taking an interest in agricultural 'improvement' and increasing productivity, often involving enclosure of common lands and increased exploitation of wage labour. Both producers and landowners were becoming dependent on the market for their own self-reproduction.

Market imperatives rather than market opportunities were the driving force of the process. Tenant farmers

WORLD SOCIALIST REVIEW #22



Is Obama a socialist? No, he's not! This book of 112 pages examines Obama's outlook and life story, his packaging as a politician, and his policy in the areas of healthcare reform, the economy, the environment, the space program, and Afghanistan. It places Obama in the context of a largely undemocratic U.S. political system and a wasteful, cruel, and crisis-ridden world economic system.

From the Introduction: "We have nothing against Obama personally. We do not accuse him of going into politics solely in pursuit of fame and fortune. He started out with the best of intentions, hoping that one day he might be able to do something to make the world a better place. Our aim is to show how the capitalist class, who exercise real power in our society, corrupt and co-opt well-intentioned young people like Obama, how capitalism frustrates and corrodes even the noblest aspirations."

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were specialising in competitive production for the market because they needed to in order to be able to continue leasing. This can be contrasted with the peasant who may have had the opportunity to sell surplus product on the market but, as they owned their own means of subsistence, was in no way dependent on it.

Peasants who were unable to keep up with fines or tenants that failed to compete successfully were pushed into a mere subsistence existence and eventually made landless. Some became vagabonds, wandering the roads looking for food or others became wage labourers on large farms. The landless became not only labourers but also consumers as they needed to buy goods in the market which they had previously been able to produce themselves. This was one of the reasons a healthy home market was able to develop in England.

Until 1640 the state operated in the interest of the old feudal order, restricting the full development of capitalist relations in the countryside. During the turbulent events of the English civil war the commercial classes, favouring capitalist development against the traditional rights of peasants and monarchy, managed to take hold of Parliament. The rate of change now rapidly accelerated with the 'improving' capitalist tenant farmer becoming typical by 1660. State-sponsored enclosure of common lands increased and became commonplace, forcing more and more peasants into becoming landless wage-labourers.

The emergence of the landlord/capitalist tenant/wage-labourer triad made the agricultural revolution possible and laid the groundwork for the industrial revolution. Growing agricultural production provided rising

incomes for not only the middle but the lower classes, fuelling the growth of the home market. "Industry fed on agriculture and stimulated in turn further agricultural improvement – an upward spiral that extended into the industrial revolution" (Robert Brenner).

Worldwide market

Once English capitalism reached its industrial phase the worldwide market with its competitive pressures became the means for the spreading of capitalist social relations. Economies that depended on trade would be subject to the market imperatives of competition and increasing productivity. These market imperatives transformed social property relations leading to a new wave of dispossession and commodification of labour-power, both small agricultural and independent industrial producers faced the same fate. As more and more people were brought under the sphere of market dependence the strengths of these imperatives grew. Capital was able to remake the world in its own image.

The social changes of the 17th century freed technology and science from the shackles of feudal backwardness, making possible the advances that began in the 18th century. Yet the direction of technological development is dictated by the profit motive, the need to accumulate capital for its own sake. Could the 21st century see a further period of social change, where humanity as a whole takes control of the productive powers and where human need becomes the guiding force for a new age of technological and scientific progress?

By studying capitalism we learn that

“Could the 21st century see a further period of social change, where human need becomes the guiding force for a new age of progress?”

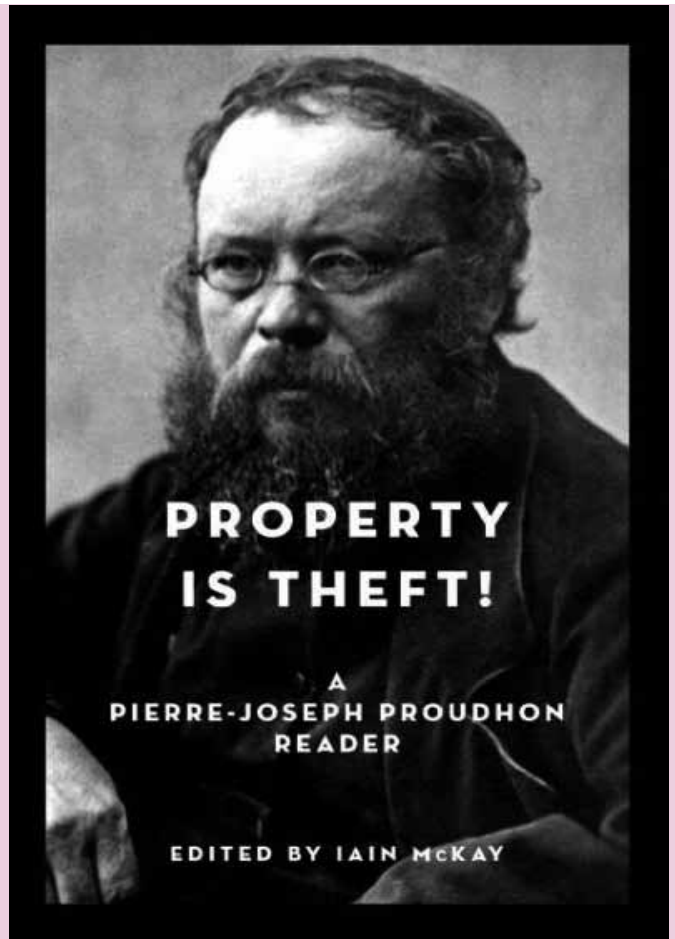
human society is not the result of some eternal logic or divine laws but is created through our own actions as we produce the things we need as use every day. The historical conditions that set in motion the social changes that have transformed the world were in no way inevitable. We must fully understand the full power of market imperatives, of the need to accumulate capital and of the need to raise the productivity of labour. We must also have a clear idea of their origins. Once we can begin to answer how and why society works in the way it does we are already some way towards understanding what could be done to change it.

DARREN POYNTON



An anarchist replies

We have received the following criticism from Iain McKay, the editor of the collection of articles by Proudhon that we reviewed last month. Our reply follows.



I was under the impression that a reviewer should actually read the book that they claim to be reviewing. Apparently ALB (*Socialist Standard*, July 2011) does not think so – how else to explain his demonstrably wrong comments on my Proudhon anthology *Property is Theft!?*

You proclaim that Proudhon’s argument in *What is Property?* “wasn’t as radical as it might seem since what he was criticising was the private ownership of land”. True, it states the land is a “common thing, consequently unsusceptible of appropriation” but it also proclaims that “all accumulated capital” is “social property” and so “no one can be its exclusive proprietor” and that “all property becomes...collective and undivided” (*Property is Theft!*, 118, 105, 137). Positions he subsequently repeated: “under universal association, ownership of the land and of the instruments of labour is social ownership” (377).

Your use of “currency crank” shows that you simply do not understand Proudhon’s ideas, likewise when Proudhon is proclaimed “a free marketeer, bitterly opposed to ‘communism’ in the same terms and language as other free marketeers”. Strangely, I’ve yet to find a “free marketeer” who would acknowledge

your admission of Proudhon’s “insight that under the wages system the producers were exploited” or argue for “the abolition of property” (254) as well as a federation of workers associations to end capitalist exploitation (712) and for “disciplining the market” (743). Still, you proclaim in your best *ex cathedra* tones that market socialism “is the economic equivalent of a square circle” which is something they would agree with...

The “communism” Proudhon was attacking was that of the Utopian Socialists and Louis Blanc – highly regulated, centralised systems in which liberty was not the prime aim. I was under the impression Marxists shared Proudhon’s opposition to that kind of “communism”. Anarchists who, like myself, are libertarian communists need not “plough through his rambling writings” to discover that Proudhon “was a life-long and bitter opponent of ‘communism’” as I discuss this in my introduction and explain why subsequent anarchists rejected his position. I also discuss that “he was a gradualist” and why later anarchists rejected this.

Similarly, you completely ignore Proudhon’s critique of statist democracy in favour of proclaiming he “was opposed to government,

even a democratically-constituted one, making rules about the production and distribution of wealth”. As *Property is Theft!* shows, his actual position was that a democracy reduced to electing a few representatives in a centralised system would not be a genuine one. Instead, he advocated a decentralised federal self-managed system – precisely what the Paris Commune introduced and Marx praised in 1871. But the Paris Commune, like so much, does not warrant a mention by you.

Was Proudhon “on the wrong track”? Partly, as my introduction suggests. But did I suggest he was completely right? No: “While we should not slavishly copy Proudhon’s ideas, we can take what is useful and...develop them further in order to inspire social change in the 21st century” (51). Marx did precisely that in terms of economic analysis and the Paris Commune.

Needless to say, Marx’s followers seem keen to deny that. Hence your statement that I am “on to a loser here” as Proudhon cannot be “compared with Marx” particularly as “most anarchists accept Marx’s analysis of capitalism”. Yet as I proved much of what passes as “Marxist” economic analysis was first expounded by Proudhon. Still, I can

understand why you fail to mention that awkward fact...

You may proclaim Proudhon "an anti-socialist" but that will only convince those who think communism equals socialism. For those interested in the evolution of socialist ideas in the 19th century, Proudhon cannot be ignored nor dismissed given his contributions to both anarchism and Marxism. That is why Marx spent so much time attacking him, often dishonestly, while appropriating his ideas.

So I do find it appropriate that you uncritically mention Marx's *The Poverty of Philosophy* given that your "review" follows it in distorting Proudhon's ideas (as I show). It is sad to see *Socialist Standard* continuing that shameful legacy. Suffice to say, you can disagree with Proudhon's ideas (as I do for some of them), but at least do so accurately. I had expected better.

Iain McKay (www.property-is-theft.org)

Reply:

Proudhon's arguments against property are mainly against property in land but he does also mention, as you point out, "accumulated capital" as not being entitled to a property income as it's the product of labour. But he no more objects to private "possession" of capital (i.e. the right to use it but without the right to a property income from it) than he does to the private possession and use of land. He later developed this into his key theory that interest as well as rent should be abolished. In fact his book could well have been entitled "Property Income is Theft".

We imagine that his view that rent, interest and profit derive from the unpaid labour of the producers is one of those you claim Marx copied from him. But Marx never made any claim to have originated this view himself. In fact in *The Poverty of Philosophy* he says that Proudhon didn't either



Louis Blanc

but that it was first put forward by English writers in the 1820s and 1830s such as Thomas Hodgskin, William Thompson and John Bray.

We are surprised that you object to Proudhon being described as a "free marketeer" since he clearly stated that, once his interest-free credit scheme had been implemented, there should be no government interference in the workings of the economy. This is openly admitted by present-day "Mutualists" (as he called his scheme). See <http://mutualist.blogspot.com/> which proclaims that it stands for "free

market anti-capitalism".

As to his views on communism, we'll let him speak for himself:

"Communism is inequality, but not as property is. Property is the exploitation of the weak by the strong. Communism is the exploitation of the strong by the weak ... In communism, inequality springs from placing mediocrity on a level with excellence. This damaging equation is repellent to the conscience, and causes merit to complain ... [C]ommunism violates... equality...by placing labour and laziness, skill and stupidity, even vice and virtue on an equality in point of comfort" (McKay's book, p. 132).

"Communism shunned, that is the real meaning of the 1848 election. We no more want community of labour than we do community of women or community of children!" (p. 317).

"The proprietor, by interest on capital, demands *more* than equality; communism, by the formula, *to each according to his needs*, allows *less* than equality: always inequality; and that is why we are neither a communist nor a proprietor" (p. 491).

"From each according to his capacity, To each according to his needs. Equality demands this, according to Louis Blanc [...] Who then shall determine the capacity? Who shall be the judge of the needs? You say that my capacity is 100: I maintain it is only 90. You add that my needs are 90: I affirm that they are 100. There is a difference between us of twenty upon needs and capacity. It is, in other words, the well-known debate between *demand* and *supply*" (p 557).

This is not just a criticism of the utopian communist schemes of his day but of the very principle of communism and "from each according to their ability, to each according to their needs". - *Editors.*

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The not so different world of Harry Potter

The last Harry Potter film based on the books by JK Rowling was premiered last month.

In many ways the world described in the Harry Potter books is vastly different from ours. A world of magic, wizards and witches, flying household objects, time travel. Yet despite all this we also find many similarities, especially in regards to their economic system. They, like us, have a money/wages based society.

It is not clear why wizards/witches would need a monetary economy given the fact that there is no scarcity, as they possess the powers to create almost anything with the wave of a wand. One could reply to this point with a question of one's own of course: given the fact that we Muggles have the technology to produce what we need and more ourselves, why do we continue to rely on a system of (mostly artificial) scarcity?

One of the main differences is that while all witches and wizards own their own wands (and therefore in a sense their own means of production), in Muggle society the means of production are owned by a minority of the population, leaving

degrading rigmarole of Harry insisting upon buying it for him.

What about the time he is unable to buy a replacement wand and therefore loses a duel to the financially superior Lucian Malfoy? Indeed an impartial observer using only the Weasleys as a case study could assume that poverty and lack of basic necessities was a problem affecting all in the wizarding world. However, further examination shows this not to be the case. As mentioned previously, we have the Malfoys; a very rich family who have more than they could ever want or need.

Incidentally why do the Weasleys seem constantly ashamed of their poverty? Their father (Arthur Weasley) is a highly industrious man and their mother (Mollie) has singlehandedly raised seven children, surely if there is to be any shame in their situation it is to be shouldered by wizarding society as a whole?

It is not made clear exactly how the Malfoys are so incredibly wealthy. The vast majority of people in Muggle society who can boast such wealth have only achieved it through extracting the

surplus value from the labour of those they employ, did the Malfoys exploit their wealth through similar means, or are they simply a relic of feudalism like today's aristocracy?

It is true that in one of the books Hermione started a campaign to free house elves from chattel slavery, but there doesn't seem to have been a movement to abolish wage-slavery.

There is also the issue of religion. It cannot go unnoticed that in the magical world of Harry Potter they celebrate Christmas. Yet given the fact that so many witches and wizards were tortured and killed in the name of Christianity (those that couldn't employ the fire-resisting charm at least) why would they want to celebrate the birth of its founder? One can only assume that our fellow Muggles who go about expounding the supposed word of Christ have made a serious

mistake; in actual fact Jesus Christ was not the Son of God but a highly advanced wizard, capable of charms that allowed him to walk on water, cure lepers, and revitalise the dead! "No spell can bring back the dead Harry, I trust you know that," says Dumbledore in *The Goblet of Fire*; "Unless you're Jesus!" should have been Harry's reply.

JOHNNY MERCER

the majority forced to sell their labour-power, in exchange for a wage or a salary, to this minority. It follows then that in order to utilise the non-magical technology available to us we first have to reclaim it from the minority who possess it.

Given the fact that wizards and witches have the ability to sustain themselves already available to them, why do they, like so many characters in the books continue to work for a wage or a salary? If it's simply out of a love for the job or because of a recognition that the work they do is needed for their own and the common good, then why not get rid of the financial incentive altogether and allow them to work on a voluntary basis? Yet we don't see this; all we see is numerous examples of witches and wizards forced to go without the things they need.

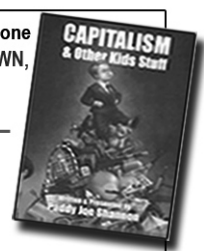
An example would be the Weasley family. On numerous occasions in the books we find this family unable to afford the most basic of items. There is, for example, the moment on the Hogwarts express when Ron Weasley is unable to buy food (beginning of the first book I believe) and is forced into the



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To a supporter of capitalism

Of course the things we need to live will have to be produced by someone in socialism. The difference being that, in socialism, the means for producing and distributing these things will belong to us all. They will not be the possessions of a tiny minority of the world's population. Moreover, our relationship to the means and instruments to this production and distribution will not be an alienated one. As we share in the productive and distributive efforts equally, we will share in the access to the same. As free and equal members of the human species. Anything wrong with that? Not from where I stand.

Capitalism, this society you seem so enamoured with, as in a Faustian otherworld, does not work for us, the majority.

Ever heard of the wealthy worrying about the price of energy, foodstuffs, housing, their kids' futures, paying the bills, etc, etc, etc ad-nauseum? No.

Getting employment, keeping it? No.

Paying the mortgage, or possible mortgage rate rises. Or being penalised for under-occupancy of their homes if they happen to be recipients of what is laughingly called "the benefits" system? No, didn't think you had.

Moreover, what gives a minority of individuals the right of ownership, of the things that are necessary for us all to live? Things, such as oil, gas, coal, land that existed long before the ancestors of modern man, crawled from the primordial slime?

A minority of people today, claim ownership of these things and more and a whole structure of laws and law-enforcement, has grown, to protect the rights of this minority of social parasites. 95 percent or more of laws, are to protect private property, not the person, why?

It is so that this minority can retain their minority ownership, at the expense of the majority of other people.

You and others, support a system – capitalism – that is antithetical to the interests of yourselves, your families and indeed to the majority of mankind, without even knowing how this system works and in whose interests. Indeed, workers go as far as laying down their lives to perpetuate this insanity.

And you to try to preach about how good this system is?

Tell that to the 30 to 40,000 kids under five, who die every day, of starvation or directly attributable disease.

The two billion of our fellow human beings who go to bed hungry every night.

The hundreds of millions who have no access to sanitation or clean water.

The hundreds of thousands of people, homeless, even in the so-called 'civilised' West, in sight of empty houses.

A society, where it is more profitable to let fields lie fallow, rather than produce crops for the starving.

A society that destroys food, to keep prices high, rather than feed people.

You want this insanity? You've got it, it's called capitalism.

STEVE COLBORN



Debts and doubts

THE PUBLIC sector union UNISON has provided its activists with briefing notes on the economic crisis, based on the illustrations used in a talk by Barry Kushner that can be found on YouTube at <http://www.youtube.com/watch?v=Y8JcZI5CcD0>.

He shares the illusion that the economy is a tool which governments can manipulate to ensure growth or more equality (or less equality) or whatever. In other words, he ignores the fact that the profit-motivated market economy that is capitalism is governed by economic laws which governments have to accept and apply if they don't want to provoke an economic crisis.

This said, he does make some valid points about the scare stories about the National Debt put out by the present government to justify its austerity programme.

The National Debt is the government's debt and has nothing to do with the debt of the individuals who make up the supposed "nation" (it is not the total of private debts). As such, it is better called the Government Debt (its official name is "Public Sector Net Debt"). Similarly, the Deficit is the government's. It's the difference between what it raises through taxes and what it spends, which it has to cover by borrowing. What it spends includes the interest it has to pay on the Government Debt.

"We are told," says Kushner, "that our country was nearly bankrupt, that our debt payments are £120 million per day, that our debt is nearly £1 trillion". He quotes George Osborne as saying on the Andrew Marr show that "we were on the brink of bankruptcy" and another government statement that "our debt is higher than it's ever been."

The Government (not "our") Debt is only higher than it's ever been in nominal (face value) terms, only because £1 trillion today is not the same as £1 trillion in the past. Kushner points out that the usual way of measuring the level of the Debt is to compare it with Gross Domestic Product (basically the value of new wealth created in a year). At the moment, this ratio is around 60 percent. One of Kushner's graphs shows Government Debt as a percentage of GDP from 1900 to 2010. From 1920 to 1960 it was consistently well over 100 percent; just after WW2 in 1945 it was 261 percent. In other countries it is much higher: 100 percent in the US, 200 percent in Japan

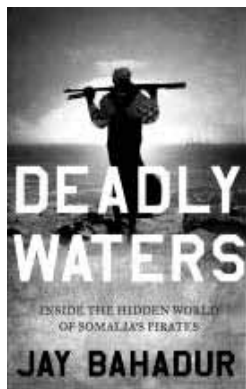
The government does not need to be in a position to pay off the whole Government Debt in one go. Since about 80 percent of GDP is made up of what people consume and what the government spends on essential services, 60 percent could not be devoted to repaying the Debt in one year without mass starvation. Most of the Debt is continually renewed as those lending the money to the government want to keep on receiving the interest.

Interest payments on the Government Debt are £120 million a day but, at £43.3 billion a year, this is less than 3 percent of GDP, which is easily affordable. Kushner points out that in 1981, under Thatcher, interest payments were in today's money £174 million a day or over 5 percent of GDP, adding that we "didn't hear talk of bankruptcy then". According to www.ukpublicspending.co.uk/uk_debt, "experts say that when interest payments reach about 12% of GDP then a government will likely default on its debt". As just seen, the British government's payments are nowhere near this figure.

There never was any danger of bankruptcy. Osborne was just scaremongering to justify cutting government spending for other reasons. The cuts are being made to try to restore profitability. It's because saying this openly would not go down well that the government has resorted to the scarce stories and lies about bankruptcy, unsustainable interest payments and the like.

Unfair Shares

***Deadly Waters: Inside the Hidden World of Somalia's Pirates.* Jay Bahadur. Profile £12.99.**



Somalia is often referred to as a 'failed state', one with no effective central authority. Instead there are a number of autonomous enclaves, owing little if any allegiance to the official capital, Mogadishu.

One of these is Puntland in the north-east, which, with a long coastline on the Gulf of Aden and the Indian Ocean, has become a centre for piracy (over forty hijackings in 2008, for instance, with ships, crew and cargo held for ransom of several million US dollars).

Fishing (especially for lobsters) used to be one of the main occupations in Puntland, but from the 1990s fishing fleets from other countries (mainly China, Taiwan, South Korea) began using dragnets and so destroyed much of the marine life, leaving locals with no reliable source of income. The effect of the 2004 Indian Ocean tsunami aggravated the situation. Many Puntlanders retaliated by capturing the fishing vessels and keeping their catches, but then graduated to full-scale piracy.

Some pirates benefit far more financially than others. The 'holders', who guard the crew once a ship has been captured, earn about US\$10 an hour, while those who carry out the attack get a fair bit more (but have a much greater chance of being killed or arrested). The controller of a pirate gang might receive a million dollars per hijacking, so they are in effect rather like capitalist bosses.

And indeed the pirate industry has a number of similarities to other capitalist enterprises. There are investors who expect a return, both single investors and those who operate on a private equity model. As Bahadur says, "Piracy is not so much organized crime as it is a business, characterized by extremely efficient capital flows, low start-up costs, and few entry barriers."

The Puntland pirates benefit from the area being not quite ungoverned but not completely stable either. There is no out-and-out civil war, unlike other parts

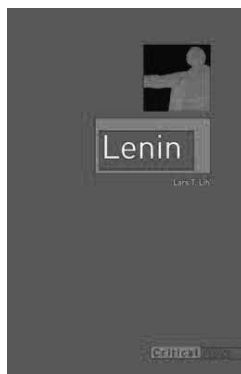
of Somalia, but neither is there an effective coastguard operation. The Puntland government officially has a clampdown on piracy, but cannot afford to implement this properly. Instead, private security companies place staff on some ships, and international navy patrols are another deterrent. But there is an awful lot of ocean to cover, and a comprehensive naval force would cost far more than is paid out in ransoms.

Bahadur bases a lot of his discussion on interviews with pirates and members of Puntland's government. His suggested solutions (such as enlarging the local prisons and stopping illegal fishing) can hardly be taken seriously, though. And it is, to say the least, unfortunate that he refers to Said Barre, who ruled Somalia in the 1970s and 80s, as a "Marxist dictator".

PB

Lenin's life

***Lenin.* Lars T. Lih. Reaktion Books, 2011. £10.95.**



This is a good biography of Lenin, who was born Vladimir Ulyanov in 1870, the son of a top Tsarist civil servant. Lih brings out well how until 1917 Lenin was essentially an anti-Tsarist Russian

revolutionary with his own particular theory and strategy of how to overthrow the Tsarist regime and replace it with a democratic republic that was the aim of all 19th century Russian revolutionaries. At first many thought that the mass basis for the overthrow of Tsarism could be the peasantry. Then they turned to assassination (Lenin's brother, Alexander, was executed in 1887 for his part in an unsuccessful attempt on the life of Tsar Alexander III). After widespread strikes in the 1890s some turned to the factory proletariat as the mass basis and identified themselves as Marxist Social Democrats. One of these, from 1893, was Lenin.

As Marxists, the Social Democrats accepted that Russia, at least on its own, would have to pass through capitalism, which would create the material basis for socialism as

well as preparing the working class to run society. Some argued that it was therefore best to leave the leadership of the popular, democratic (or "bourgeois") revolution that would overthrow Tsarism to the bourgeoisie supported by the workers and peasants. Lenin disagreed. Lih describes him as holding to "the heroic scenario" of the factory proletariat leading the mass of the Russian people (who were mainly peasants) to overthrow Tsarism and establish a democratic republic. Lenin knew very well that socialism in Russia (alone) was out of the question.

As it turned out, the Tsarist regime collapsed of itself in March 1917 under the impact of WWI. Lih describes how Lenin now shifted his position and began to argue that, instead of a democratic republic and liberal capitalism, what could be established in Russia was a working class regime which could take some "steps to socialism" while awaiting a socialist revolution in the rest of Europe which he was convinced was imminent. It was on this basis that the Bolsheviks seized power in November 1917.

The European socialist revolution that Lenin had gambled on failed to materialise (in reality it was never on the cards) and he found himself the head of the government of a country that was both economically and culturally backward. Lenin suffered a first stroke in May 1922 and was no longer at the centre of power until he died after a third stroke in January 1924. Lih detects, as others have done, in Lenin's last articles written in 1923 doubts creeping into Lenin's mind:

"The cultural deficit explained the failure of Lenin's hopes for the Soviets, but it also posed a direct challenge to the legitimacy of socialist revolution in backward Russia. Lenin was confronted by this challenge in January 1923 when he read a memoir of the 1917 revolution written by the left-wing socialist Nikolai Sukhanov. In notes dictated soon afterwards Lenin admitted that socialist critics such as Sukhanov had correctly asserted that Russia was not ready for socialism. He responded to these familiar arguments with a flood of rhetorical questions (I count nine in two pages). Such questions are the rhetorical device of choice for those who are not quite sure of their position."

It was to his credit that he did have doubts, even if it was psychologically impossible for him to admit that he had been wrong in 1917. There never was of course any prospect of the

Bolsheviks giving up their control of political power. Maybe if Lenin had not died at the relatively young age of 53 the capitalism that inevitably developed there would not have been called "socialism" but the "state capitalism" Lenin knew it to be.

ALB

The Knowledge

So You Think You Know about Britain? Danny Dorling. Constable. £8.99.



It is often argued that there are too many old people or too many immigrants in Britain, or simply too many people. In this informative and enlightening book, Danny Dorling

subjects these and many other commonly-held beliefs to a thorough examination, with frequently-surprising conclusions.

The north-south divide has been moving gradually southwards, with more and more areas being categorised as part of the less well-off 'north'; the dividing

line in fact runs diagonally from the Humber to the Severn estuary. On average, if you live on the London side of the line your life expectancy is two years greater than otherwise. Life expectancy is also influenced by many other factors (extra years likely if your father worked in a non-manual occupation, if you have never smoked, if you eat fruit daily, if you have sex at least twice a week, for instance). The north-south divide is now wider than at any time since the 1920s, and is most graphically illustrated by the difference between how long a child born in the most affluent part of London is likely to live as opposed to one born in the poorest part of Glasgow (86.7 versus 74.3 years).

Women on average live longer than men, which is why Eastbourne, a popular retirement destination, has 87 men for every 100 women. In other cases, such as Glasgow, a comparable imbalance is caused by men either leaving the area or else dying before they reach retirement age. But women in their late twenties are the most likely to get into debt. And a recession leads to both an increase in emigration and a drop in birth rates, as people are less willing to start a family.

Inequality has increased in various ways, with the incomes of the richest fifth of the population having grown at eight times the rate of the bottom fifth. By 2005, 27 percent of households could be classified as

poor, living below the breadline. This poverty is largely geographically-based, but there are no ghettos, in the sense of districts almost exclusively the preserve of one ethnic or cultural group. Yet in England most children who live above the fourth floor in tower blocks are black or Asian.

Dorling is well aware that measuring things in terms of profit is not always sensible:

"British roads, pavements and railway carriages could be far more comfortable places to travel on (and in) if we did not so often judge an activity as worthy only if it makes a profit. We don't always do this, we don't always seek only profit, otherwise none of us would have children."

This is reinforced by the discovery of the large numbers of unpaid carers, who 'often visited others' homes simply to help, for no monetary reward, and often for reasons other than family ties'. There are more carers in places with more people in need of care. So the view, often put forward by supporters of capitalism, that people will not work without being paid in return, is simply untrue. This book not only shows that many beliefs about Britain are wrong - it also discredits a common argument against socialism.

PB



The pecking order

IF YOU'VE ever staggered home from the pub, you may have been lured inside a branch of Southern Fried Chicken looking for something to soak up the alcohol. While the fast

food chain is profitable overseas, its two hundred British branches are failing financially. Concerned that the SFC "brand could be damaged", its owner and managing director Andrew Withers has enlisted the help of Channel Four's *Undercover Boss*. This programme films the directors of different organisations as they pretend to be shop-floor staff in their own businesses.

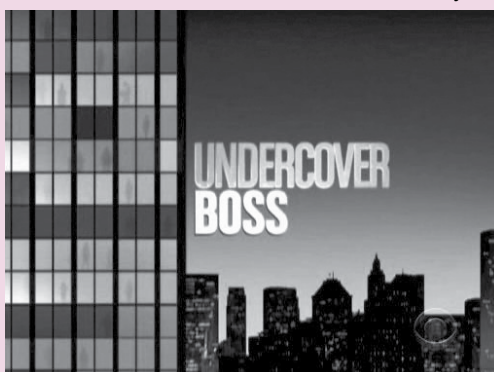
Disguised as 'Jim', Andrew spends a week in several of his outlets to learn why they have stopped bringing him much money. Predictably, he sees health and safety guidelines being breached because it would be too expensive or otherwise impractical for the franchises to follow them. But at the same time he's impressed by the efforts of his staff, especially their speed and patience when dealing with their less sober customers. At

the end of a late-night shift behind the counter, Andrew says "I didn't realise the type of customers that come in to these restaurants". If the owner of a fast food takeaway chain doesn't realise that many of its punters will be the post-pub crowd, you have to wonder what planet he's living on.

So, *Undercover Boss* has some worth by highlighting the gulf between the upper and lower ranks of a business. Normally, this distance means that the bosses don't have to see how their decisions affect those at the foot of the corporate ladder. And these decisions often mean taking away people's livelihoods, even if they are disguised by euphemisms like 'restructuring' or 'modernisation'. So, when Andrew visits the struggling South Shields outlet his first thought is to withdraw SFC's involvement and make a report to the Health and Safety executive. Then he is invited to the home of the family who runs the outlet, and realises how

hard they work for little financial reward. He's in a quandary, as his business instincts tell him that the outlet should close, but he also realises that this would ruin the lives of at least half a dozen people. Fortunately for his staff, Andrew has an epiphany and offers to invest in the branch. Whether he would have done the same without meeting them personally or having the cameras film his decision is anybody's guess.

Mike Foster



OBITUARIES

THOMAS D'ARCY

It is with regret that I have to record the death of a favourite old friend and comrade of mine Tommy D'Arcy. The first time I met Tom would be about 1957. At that time he was the secretary of the Glasgow Kelvingrove Branch of the Socialist Party of Great Britain. I used to go along to their weekly meetings in a comrade's house and over the weeks of discussion I became convinced I should join the SPGB. During the questioning of applicants to the SPGB which every member has to endure Tom asked me this question: what in the applicant's view is the difference between absolute and relative surplus value? Fortunately another member interjected and asked what is the questioners view? Tommy laughed. The rest of the branch laughed and I managed to join the Party. Years later he would laugh about his question on that day and say perhaps I wanted you all to be Karl Marx and Frederick Engels. Tom has gone now and we must build on the foundation that he and his fellows built. A great guy, we miss him.

RD

HENRIETTA VALLAR

Glasgow Branch are saddened to report the death of long serving member Henrietta Vallar. Henrietta, or Hetty as she was known, came from a socialist family. Her father and both her brothers were Party members and she herself joined the Party in 1953. Up until 2009 when she was overtaken by illness Hetty was a regular attendee at branch meetings and was for many years the branch treasurer. She was a regular attendee at the Party's annual conferences and Autumn Delegate Meetings where she often served in the chair on those occasions. Hetty was never a public speaker or debater but she was a hard working regular attending member. It would be impossible to have a political party such as the Socialist Party of Great Britain without stalwart members such as Hetty. She will be sadly missed by all her comrades in Glasgow and elsewhere.

RD

Meetings

Clapham

Saturday **13 August** from 11pm
BOOK SALE AND LITERATURE STALL
(followed by afternoon social)
Socialist Party premises, 52 Clapham
High St, SW4 7UN

Glasgow

Wednesday **17 August**, 8.30pm
THE SOCIALIST PARTY'S RECORD –
WARTS AND ALL
Speaker: V.Vanni
Community Central Halls,
304 Maryhill Road.

For full details of all our meetings and events see our **Meetup** site:
<http://www.meetup.com/The-Socialist-Party-of-Great-Britain/>

Manchester

Saturday **20 August**, 2.00pm
WHY YOU SHOULD BE A SOCIALIST
Unicorn, Church Street, City Centre,
M4 1PW

London

Saturday **17 September** 11am to 5pm
Socialist Day School:
MARX: A VISION FOR TODAY
11am: Marx's Capital: A Satirical Utopia
Speaker: Stuart Watkins
1pm Break for lunch
2pm: Why History Matters.
Speaker: Gwynn Thomas
3.30pm: Marx on "The Anarchists I Knew"
Speaker: Adam Buick
Socialist Party premises, 52 Clapham
High St, SW4 7UN

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Declaration of Principles

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

Object

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

Declaration of Principles

The Socialist Party of Great Britain holds

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

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

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

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

4. That as in the order of social evolution the working class

is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind, without distinction of race or sex.

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

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

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

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

Action Replay

Nice Little Earners

BEING A successful athlete can make you rich, very rich. Footballers, for instance, may get contracts involving staggering sums of money, often with bonuses for winning trophies. In many cases the actual sporting income is only a small



Maria Sharapova

part: tennis-player Maria Sharapova 'earns' around £15m a year, but well under a million of this is from prize money. The rest comes from advertising and endorsements, everything from rackets to handbags and cars.

She is supposedly the third-richest athlete in the world.

Lewis Hamilton's racing driver outfit is covered with the names of companies he endorses: banks, mobile phones, whisky. Of course the sports stars need to have positive associations such as success, glamour and honesty. Advertisers will swiftly drop anyone who compromises these supposed standards, as shown by the consequences of the extra-marital escapades of golfer Tiger Woods.

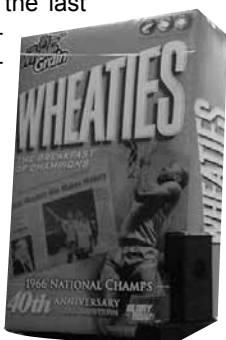


Lewis Hamilton

The most recent example is Ryan Giggs, the role model footballer who committed the sin of having an affair and getting found out. Simon Barnes (writing in the *Times*, 27 May, in the wake of the Giggs revelations) castigated the humbug of the whole 'good guy' brand, where the appearance of virtue matters far more than the reality. But advertising, after all, is about stretching the truth, and is an industry built around humbug, so it's a bit much to complain about the sporting link specifically.

We must leave the last word to the American baseball pitcher, Dizzy Dean: "Sure I eat what I advertise. Sure I eat Wheaties for breakfast. A good bowl of Wheaties with bourbon can't be beat."

PB



The Zionist Movement

THE STATE of Israel, now thirteen years old, has, by Jewish custom, come of age. It is timely, therefore, to attempt an assessment

The assumption underlying the Zionist movement was that to establish a "national home for the Jewish people" was the only way to end their age-old persecution, especially under the yoke of the Tsars. This

closely mirrored the aspirations of other thwarted nationalities such as the Poles, the Czechs, the Finns and the like. There were, of course, workers who were taken up with this cause but very few of them prior to the first world-war. Cramped into a narrow strip of the vast Russian Empire, the Jewish millions lived almost entirely in the towns, where they formed the majority of the population. They were skilled and unskilled workers; some on the land, more in the factories and workshops; they were porters and cart drivers. Only a minority were merchants of any substance,

bankers and factory owners. In this background it was the idea of Anarchism and Social-Democracy that gained the greatest acceptance. The Jewish Labour League, the Bund, which was affiliated to the Russian Social-Democratic Labour Party, had as its purpose Jewish cultural autonomy within a Social-Democratic Russia. They saw that on the principle of divide and rule the Tsars had actually fostered anti-semitism. They were convinced that the Jewish problem was a by-product of the private property system and would end with the end of that system. They did not think in terms of a return, to "the promised land" as a solution to their problems. Neither did the Anarchists.

(...) national ideals and political reality have never been compatible and never can be. True to form, the territorial demands of one set of Nationalists were diametrically opposed to the demands of the other set. The "solution" of the Jewish problem turned out to be its transference from Europe to the Middle-East.

(from article "Ye Daughters of Israel Weep" by E.S.G., *Socialist Standard*, August 1961)

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Voice from the Back

The Realities Of War

War is often depicted in films, books and TV as a heroic endeavour that brings out the best in human beings. We are taught to believe that war produces heroic bravery and sacrifice, but the realities of war are far from noble. When President Barack Obama announced the withdrawal of troops from Afghanistan the cost of that conflict – \$2 billion (£1.2 billion) a week must have figured large in his decision. “Much less discussed are the invisible costs such as the psychological strain on soldiers who have served repeatedly in Iraq and Afghanistan. One in five returning troops is diagnosed with post-traumatic stress disorder (PTSD). Suicides in the US military are at unprecedented levels – an average of five troops attempt suicide every day, says the PTSD Foundation of America, based in Houston. Last year a record 301 soldiers committed suicide” (*Sunday Times*, 3 July). War is not heroic it is just another tragedy of capitalism.

War Propaganda

One of the illusions that capitalist governments like to foster is the notion that although war may be awful and inhumane at least their side always behave impeccably. A recently published book *Scorched Earth, Black Snow: Britain and Australia in the Korean War, 1950* by Andrew Salmon seems to explode that myth. “British and Commonwealth soldiers fighting in the Korean War looted and burnt villages, shot dead wounded enemy soldiers, and killed Korean civilians and prisoners of war in cold blood according to new accounts by veterans of the conflict” (*Times*, 17 June). The war which took place from June 1950

until July 1953 was a particularly bloody affair. It is estimated that 1,078 British, 40,000 American, 46,000 South Koreans, 215,000 North Koreans and 400,000 Chinese were killed. The idea that capitalism’s conflicts can be carried out in a humane, decent fashion is of course a fallacy.

The Wasteful Society

One of the illusions beloved of supporters of capitalism is that while it may have problems it is the most efficient way to run society. So what do those lovers of capitalism make of the following news item? The Indian government fearing a potential shortage of grain banned its export in 2007 and this combined with a bumper crop this year has left them with a bizarre problem. “Millions of tons of grain – enough to feed more than 100 million for a year – are at risk of rotting because India’s stockpile



India in the pouring grain

is too big to be held in government warehouses. ...Prakash Michael, who works for Spandan, a non-governmental organisation in Madhya Pradesh, said: ‘On the one hand, they have grain rotting in stockpiles and, on the other, people are still dying of starvation in India’” (*Times*, 30 June). That is capitalism’s efficiency in action for you.

Some Chilling Facts

Politicians are fond of painting a picture of social improvement. They love to tell us how lucky we are to live in a modern progressive Britain. The latest figures about the plight of the old and poor show what a piece of fiction this will prove to be this winter. “One in five households in fuel poverty as energy prices soar. 5.5m homes spend over 10% of income on fuel, and bills will rise further to fund new power networks. Figures show a huge rise in UK households in fuel poverty, even before expected rises in the price of gas and electricity, and charities predicted that this winter would see millions more people struggling to keep warm at home. The Department of Energy and Climate Change statistics show 700,000 more UK families fell into fuel poverty in 2009, bringing the total to 5.5 million – one in five of all households” (*Guardian*, 15 July).

Same Page, Different Worlds

That we live in an ugly class-divided society was well summed up on one page of a recent issue of the *Times*. There on page 41 was an advert for *Medicins Sans Frontieres* begging for funds to deal with the awful threat of millions dying on the frontiers of Somalia and Kenya of malnutrition and lack of clean water. On the same page we could read of the lavish preparations for the 40th birthday party of Nat Rothschild that is taking place in Porto Negro and is expected to cost £1 million pounds. “Set to inherit £500 million, Mr Rothschild has already notched up a fortune of \$1 billion (£620 million) on his own account” (*Times*, 9 July).



“The Korean People’s Army and Chinese People’s Volunteer Army are victorious. Long live!”

FREE LUNCH

