

socialist standard

December 2011
Vol. 107 No. 1288
£1.50

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

Eastern Promise?



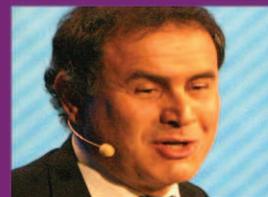
Capitalism's next war



Eccentric or
fake?
page 9



Roman's
holidays
page 12



Meet
"Dr Doom"
page 14

socialist standard

DECEMBER 2011

contents

FEATURES

The Next War?	10
Russian To Get Rich	12
Saying Marx Is Right, Getting Him (And Capitalism) Wrong	14
2011—A Year of Change	16
To Drone Or Not To Drone	18

REGULARS

Pathfinders	4
Letters	5
Material World	6
Cooking the Books 1	7
Tiny Tips	8
Halo Halo!	8
Greasy Pole	9
Cooking the Books 2	19
Reviews	20
Proper Gander	21
Meetings	22
Action Replay	23
50 Years Ago	23
Voice from the Back	24

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should be sent to the address above.

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

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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.



socialist standard

DECEMBER 2011

Editorial

What next?

LAST MONTH we asked, just as it was getting off the ground, where would the Occupy Movement end. Would it fizzle out? Would it go lamely reformist? Would it perhaps achieve some worthwhile reform? Would it even trigger a genuine anti-capitalist movement?

It didn't fizzle out and it didn't achieve any reform. But it did do two things. First, it raised consciousness that capitalism does not benefit "the 99 percent". And, second, it provided public places where political debate about this and other issues could take place - and did. Both worthwhile. There were two other pluses. It was a world-wide movement that understood that any solution had to be global. And it tried to organise itself democratically and without leaders.

All right, there wasn't always clarity as to what exactly was the capitalism they said they were "anti". Some saw the occupations as a protest against "corporate greed" as if the behaviour of those in charge of capitalist corporations is a personal fault or choice rather than something imposed on them by the nature of capitalism as a system of production for sale with a view to profit. Others blamed "the bankers" and all sorts of funny money theories flourished. But that was what the spaces for debate they had provided were all about. They need to continue.

In the end the police moved in to clear the occupations

(though the one in London has been given a stay of execution till after Christmas). Now that the inevitable has happened the Occupy Movement will have to consider its next move. Clearly, the high-profile tactic of occupying public parks and town squares has only a limited shelf-life, since the authorities can always cite concerns over health and sanitation.

The question now is whether activists will go home satisfied that they've made their point, in effect consigning the issues once again to oblivion, or work out new ways to press home their anti-capitalist message. In particular they will need to find ways to counter the predictable establishment criticisms that they are nothing but a diversion from attempts by practical politicians to find solutions to the global economic crisis and that they have no viable alternative economic system to propose.

Well, of course, the ruling class would say that, wouldn't they? Their opinions aren't going to change. The criticisms Occupy have to worry about are those coming from the ninety-nine percent, who don't at present believe that capitalism can be abolished or that any alternative would be viable.

So it's a question of getting the message out there, and getting it right. We're doing our bit.

Parasites Lost

A CURIOUS fact unloved by politicians eager to stoke public paranoia is that serious crime rates have been falling for decades, both in America, Europe and the UK, which despite being Europe's 'crime hotspot' nevertheless is enjoying its lowest murder rate for 12 years. Murder rates are a particularly good indicator of trends, because they are nearly always reported, and because they are universally counted in the same way (ie by victim rather than by case). Rates for Europe are around 2 murders per hundred thousand of the population, while there are murder sprees in some South American and Caribbean countries. The rate in Honduras for 2010 was 78 (50 in 2000), El Salvador was 66 (60) and Jamaica 52 (34) (*Wikipedia*). The higher the rate the more volatile the change seems to be. In general though, in all countries across the world with low murder averages the trend is either stable or declining.

Steven Pinker, the Harvard evolutionary psychologist, is currently doing the rounds with his new book *The Better Angels of our Nature* which argues that murder rates have been falling in all modern societies since the Middle Ages. The question exercising everyone, assuming that the evidence is correct, is why.

An obvious fact about global social development is a general improvement in material well-being, albeit at vastly different rates, the poorest tending to benefit least. This might perhaps suggest a simple inverse ratio between material security and murder rates, the one going up as the other goes down. Murder rates globally do show that some of the most violent countries are also poor, however a closer look shows that there is no reliable correlation. For example Haiti is one of the poorest countries in the world (4th in the table cited below) yet has a murder rate of 6.9, roughly similar to Moldova (position 80) and Estonia (position 102). The three murder-prone countries cited above (Honduras, El Salvador and Jamaica) are in positions 14, 64 and 122 respectively. (http://www.nationmaster.com/graph/eco_pop_bel_pov_lin-economy-population-below-poverty-line). Meanwhile the USA, the richest country in the world, has a higher murder rate than Romania, Turkey, Yemen, Albania, Cuba, Belarus and many others.

A new suggestion comes from Randy Thornhill, an evolutionary psychologist at the University of New Mexico (*New Scientist*, 12 November). Dubbed the 'parasite stress' model, his idea treats all diseases as parasites on human society, and argues that diseases tend to fragment societies into defensive, family-based micro-units in which xenophobic and autocratic conservative values are the norm. Thornhill's study shows a link between high disease rates and high murder rates across different US states even after taking into account local levels of economic inequality. A separate study shows a link between high murder rates and 'conservative' style cultures. No study has yet combined all three factors. The devil is in the causality though. Do people commit murder because there is a lot of disease about, or are they both functions of something else? If one takes infectious disease as a general indicator, most African countries are at very high risk, whereas their positions in the murder rate tables vary considerably, some being close to the European average.

There is more to be done with this notion of the 'parasite model' from a socialist point of view. In a sense all living organisms are parasitical on something. In nature this parasitism is often driven into competition by population or resource 'stress', and can express itself either destructively,

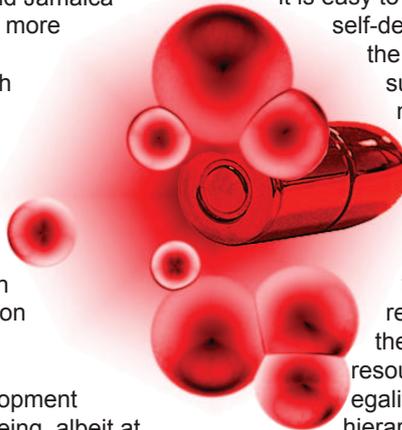
neutrally or beneficially to the 'other party'. Most obviously, the predator can simply wipe out the prey, as Ebola does, or as early humans probably did with extinct large fauna such as woolly mammoth, horses and giant bison. Often a neutral balance is achieved. In a closed eco-system, the predator and the prey achieve a population equilibrium known as homeostasis. If predators become too numerous, prey will be depleted, which will in turn drag predator numbers back down. A similar corrective pressure exists for prey increases. The third manifestation of parasitism is symbiosis, where two species 'learn' to live off each other in a mutually beneficial arrangement.

All these forms of parasitism exist at every biological level, including bacterial, viral and genetic. At the level of microbiology it is easy to see that 'killer diseases' are in fact biologically self-defeating organisms, since they too easily destroy the vehicle for their own reproduction, while the most successful parasites are those which have 'learned' not to be deleterious to their hosts, and are in fact beneficial to them. This is the 'good bacteria' we hear about in yoghurt adverts, for example.

What holds for microbiology also holds for macrobiology. Socialists often describe capitalists as parasites, because it is literally true. It therefore makes sense to view this relationship in terms of a medical condition. Once they came under competitive population and resource stress, human social organisms, however egalitarian they may have started out, collapsed into hierarchical and parasitical structures. They became 'diseased'.

We can show that this 'disease state' is actually a disease and not a neutral or beneficial adaptive behaviour pattern. While rabbits and antelope don't have the mental faculties to get depressed about their status in the scheme of things, there is evidence to show that primates do. Stress produces the hormone cortisol, which furs up the arteries leading to heart disease, while also lowering the immune system. In studies of zoo-kept monkeys, the individuals suffering highest levels of stress and heart disease, with lowest immune systems and serotonin levels, were those at the bottom of the hierarchy. In a study of 17,000 Whitehall civil servants, low job status was a more reliable indicator of heart disease than obesity, smoking or high blood pressure. A 1960s study of a million workers at Bell Laboratories in the USA found the same thing (Matt Ridley, *Genome*, Fourth Estate, 1999, p154). Since hierarchies are pyramidal structures with the vast majority at the bottom, we can say that hierarchies per se are generally bad for human health. From this perspective, current human behaviour including murder is better understood as part of a disease pathology.

What do we gain by medicalising society in this way? Much is made of capitalism's 'natural' place in human behaviour, as if that makes it desirable, beneficial and unavoidable – a 'good thing'. Its defenders forget that disease is natural too. If we incorporate class society into an overall 'parasite stress' model of diseases, it is intuitively easier to apprehend capitalism as a natural killer disease like cancer, blind, destructive and out of control, a parasitism gone wrong. We can also begin to liberate ourselves from deterministic 'human nature' arguments that try to normalise abnormal behaviour. Most importantly, we can work on a cure, because unlike monkeys and microbes, we have the ingenuity to help ourselves. Scarce resources may have caused the original problem but now technology can solve it. The voracious runaway parasitism of capitalism is not inevitable and can be supplanted by a beneficial symbiosis within and beyond human society. We can become the planet's 'good bacteria', once we have correctly diagnosed the problem.



Banking demystified

Dear Editors

Governments no longer control their own economies, and neither can they act together to control the world economy. Whatever happens is now decided by global brokers and traders, who engineer situations where they can make money no matter which way the markets move, and that is all they are interested in. Their fiscal power now overwhelms any action that a government might take.

The private banking system also creates our money supply from thin air, by means of fractional reserve lending, so that all our money is created as interest bearing debt. Repaying that debt merely shrinks our money supply, and makes a recession worse.

Every year, private banks earn about £70 billion in interest from their lending of magic money. The National Debt is merely a name for the magic money they have lent to the government.

Another £75 billion of quantitative easing now goes to the banks, in the vain hope that it will pass into the economy, but the banks will simply use it to patch up their balance sheets, and square away their lost bets or adverse market positions. It will probably pay for some bonuses as well.

But the one thing that £75 billion of digital thin air money will surely do is fire up inflation, just as the previous £200 billion did, so that money already in circulation will buy less.

In the world of commodities, a similar position prevails. The price of everyday foodstuffs is dictated by the global speculations of commodity traders, who have also arranged to make money in the rising or falling of markets whose movements they control by the sheer size of their trades. Other essentials, such as oil and raw materials, suffer a similar fate.

In reality, the assets of the world have become no more than gambling chips in a casino, and the price of everything is set by those who play in the casino. If their bets are lost, the Bank of England just prints some money to pay those losses.

For the Bank of England or any other Central Bank, to think that they can affect the economy with their quantitative easing or interest rates is therefore just plain ridiculous, and shows a total ignorance of what is actually going on.

MALCOLM PARKIN, Kinross

Reply:

You are right. Neither governments nor central banks can control the way the (capitalist) economy works. But not for the reason you give. It's not because this control is exercised by "global brokers and traders", but because the capitalist economy is uncontrollable and governed by

economic laws that impose themselves on governments and all economic decision-makers (including bankers) as if they were laws of nature.

You are wrong when you claim that "the private banking system also creates our money supply from thin air." If money is defined as including bank loans then, of course by definition, banks "create money" and in the form of "interest-bearing debt" but they wouldn't be doing so from thin air. The money they lend comes from what has been deposited with them or from what they themselves have borrowed, i.e. already exists and is just being recycled by the banking system. When a loan is repaid, money is not cancelled but becomes available for lending again. The interest paid on it comes in the end from what has been produced in the meantime in the real economy.

Nor is there anything mysterious or suspicious about "fractional reserve lending". All lending institutions, not just banks but building societies, credit unions and savings clubs too, practise it, by keeping a "fraction" only of their money as a cash "reserve" against withdrawals. If a bank didn't do this it wouldn't be a bank but a safe deposit.

But if banks don't create money who does? In the past, before the present era of managed currencies, money took the form of some commodity having its own value as a product of labour (gold and silver) which was made into coins

by governments (which also issued metallic and paper tokens for it). Under this gold standard the amount of money in circulation was more or less self-adjusting in accordance with the requirements of the economy for payments.

This system was suspended during the First World War and finally ended with the Second. This meant that from then on governments have had to decide how much money the economy requires. Not an easy task. Issuing more than would have been required under the gold standard has become the norm, resulting in continuous inflation, so much so that people expect prices to rise from year to year.

This government-created, "flat" money is issued by state-controlled central banks and could be described as being created, if you want to use the term, "from thin air" by them, in effect by governments. In most countries it is introduced into the economy by the central bank buying government bonds from commercial banks of which "quantitative easing" is one form.

Money dominates our lives and as banks deal in it they appear to have more power than they actually have. But banks are only one part of the capitalist system and not the most important part either. They are secondary to the real economy where wealth is produced in the form of goods and services to be sold for profit.

This is why getting at the banks, by reforming and regulating them, won't solve the problems the profit system causes for most people. Only the common ownership and democratic control of productive resources can provide the framework for this as it will allow production solely and directly for use instead of for profit. This will make money and banks redundant - *Editors*



Banks: creating money out of thin air?





Christmas Crackers

YES, IT'S December at last. The shops and high streets have been inflicting their Christmas spirit and other assorted Christmas crap on us for weeks now. There's no escape from it, so let's just get it over with. Welcome, then, to your jolly, festive, merry Marxian, Christmas issue of the Standard.

So what's been happening out there on the 'peace and goodwill to all men' front? Well, unfortunately, the season of goodwill got off to a shaky start back in October when the hierarchy at St Paul's Cathedral couldn't decide what to do about the anti-capitalist protesters camped on their doorstep. It was a tricky situation because, as we all know, Jesus saves. Assets managed by the Church Commissioner amounted to nearly £6 billion including stock market and other investments (according to a *propertycommunity.com* report dated 10 November 2008) so it wouldn't do to upset the bankers too much.

'What would Jesus do?' they asked each other. His reply is not recorded but within days there had been three senior clerical resignations and they decided that although they couldn't ignore the protesters, perhaps after a few subtle hints and a flood of pious and suitably banal clichés they'd all go away.

A 'loss of moral compass' and a 'gap between peoples' values and the way our country is run' were discovered. A 'wake up call' and a 'crisis of concern' were announced. And it was solemnly declared that 'maximising shareholder value should no longer be the sole criterion' for screwing the workers. 'Fairness and a sense of proportion' were required, and there was a

'pressing need to reconnect the financial with the ethical'.

The next move was to appoint Ken Costa to head a new initiative to build links with the banking industry. Costa who has been a banker for 30 years and is the former chairman of an investment bank is now chairman of the Alpha

International organisation that runs evangelical Christianity courses all over the country. He is also said to read his bible at breakfast every morning.

So, can we expect a miracle from Ken, the god-bothering banker? Don't build your hopes up too much. He holds the view that 'The New Testament's way is the responsible enjoyment of all the good things that we're given. And by responsible I mean the recognition of where the goodness comes from'. But unfortunately, no, that doesn't mean he realises that all wealth is produced by the working class.

Good Christian men are not all rejoicing in other places this Yule-tide either. There's one hell of a ding-dong going merrily on high between Ireland and the Vatican. Following the row earlier this year over the Catholic Church's handling of the sex abuse cases and accusations that the Vatican had encouraged secrecy, relations have plummeted even further. Catholic Ireland has closed its embassy to the Vatican. It was being closed, said Dublin's foreign ministry, because 'it yields no economic return'. Yes, even saving lost souls has to be economically viable.

The Vatican was said to be 'extremely irritated' by the statement equating diplomatic missions with economic return. Particularly, it said, because the Vatican sees its diplomatic role as 'promoting human values'. Presumably they don't mean the kind of human values they demonstrated in the numerous Catholic priests' sex abuse cases?

NW



The Indian government has announced a drop in the number of poor people in the country by massaging the criteria used to measure poverty. By its reckoning, less than a dollar a day is enough to get by:

<http://tinyurl.com/czt9nhk>

China has accused European workers of being 'slothful' and 'indolent' after refusing to put any of its vast resources into rescuing the euro. The head of the Chinese state's overseas investment arm said he would only help Europe if it reformed its 'outdated' labour laws and welfare systems. Jin Liqun, chairman of the board of supervisors of China Investment Corporation, said Europeans should stop 'languishing on the beach' and work harder if they want to drag the eurozone out of its downward spiral. And he said Europeans have become too reliant on state handouts and should stop looking to outside sources to tackle the debt crisis threatening the euro:

<http://tinyurl.com/6whd6z4>

In recent weeks, the U.S. Patent and Trademark Office has received a spate of applications from enterprising merchandisers, lawyers and others seeking to win exclusive commercial rights to such phrases as "We are the 99 percent," "Occupy" and "Occupy DC 2012." Organizers of the protest centered in Manhattan's Zuccotti Park went so far as to file for a trademark of "Occupy Wall Street" after several other applications connected to the demonstrations were filed with the U.S. Patent and Trademark Office. Wylie Stecklow, a lawyer representing the protesters, said the Oct. 24 filing

was done to prevent profiteering from a movement that many say is a protest of corporate greed:

<http://tinyurl.com/cfh8d4r>

Since the abolition of serfdom and human trafficking more than 150 years ago, slavery is against the law in all countries on earth. And yet, according to the UK's Anti Slavery International (ASI) there are still some 27 million people living in slavery, living at the mercy of landowners, earning virtually nothing:

<http://tinyurl.com/cq464pj>

"In 1917, average income — including capital gains — among the top 0.1 percent was 127 times the average income of the bottom 90 percent," Professor Hacker said. "Average income among the top 0.01 percent was 509 times as great. In 2007, average income among the top 0.1 percent was 220 times average income among the bottom 90 percent. Average income among the top 0.01 percent was 1,080 times as great."

<http://tinyurl.com/6c97mg7>

The Occupy Wall Street movement has landed at Harvard University, where some 70 students walked out of an introductory economics class last week to protest what they saw as biased teachings. The students explained their walkout in an open letter to professor Greg Mankiw posted on the website of the Harvard Political Review. "Today, we are walking out of your class, Economics 10, in order to express our discontent with the bias inherent in this introductory economics course," they wrote. "We are deeply concerned about the way that this bias affects students, the University, and our greater society."

<http://tinyurl.com/bmbhpbv>



“We are the 99 percent”

SO PROCLAIM some of those who called for the occupation of Wall Street, explaining:

“We are getting kicked out of our homes. We are forced to choose between groceries and rent. We are denied quality medical care. We are suffering from environmental pollution. We are working long hours for little pay and no rights, if we’re working at all. We are getting nothing while the other 1 percent is getting everything. We are the 99 percent” (wearethe99percent.tumblr.com).

A powerful appeal - the sort of thing we might say ourselves. But who are “the other 1 percent” that are getting the best of everything? According to WeAreThe99percent, “they are the banks, the mortgage industry, the insurance industry”, by which they presumably mean the rich people who own and control these financial corporations. But is that all of them? Apparently. But if so, this is wrong.

In 2010 CoreData research calculated that the number of millionaires (defined as those having a £1 million in addition to their principal residence) in Britain was 284,317 or 1.1 percent of households. So, the figure of 1 percent of those who benefit from the present system is more or less correct. However:

“The study found that the majority of millionaires’ assets are held in shares at 34.2 per cent, while 32.2 per cent is invested in property and 13.2 per cent is held in cash. Just over 5 per cent of their money is invested in physical items, such as antiques, collectibles and art” (*Daily Telegraph*, 30 September 2010).

So they are not just bankers. In fact, at least in Britain, the biggest group seems to be property speculators and land-owners. And the shares will be held in all sorts of capitalist corporations, not just banks and insurance companies. In other words, the 1 percent are capitalists in general.

In suggesting that they are just the bankers WeAreThe99percent have got it wrong. It’s a mistake insofar as it suggests that if the bankers are dealt with (whether through banking reform or nationalisation) then the problems facing the 99 percent will go away, which of course they won’t as they are not caused by greedy bankers and the like but by the whole capitalist system.

It’s obviously not the intention, but to say that the 1 percent who exploit the rest of the population are just the bankers is to imply that non-financial capitalists are part of us, the 99 percent, when clearly they are not as they don’t face problems over housing, healthcare, inadequate pay or finding a job.

“We Are The 99 percent” is an appealing slogan, but misleading if it means “everyone except bankers”. It should mean something more like “everyone except the capitalist class”.

A wit once accused us of defining the working class as “everyone apart from the fat controller”. This is because we define the working class as everyone who, owning no means or instruments of production, is obliged by economic necessity to sell their mental and physical energies for a wage or salary to live or, otherwise, to depend on state handouts.

In a developed part of the world such as Britain this amounts to about 90 percent of households and this is the group we look to end capitalism because they have a material interest in doing so. The other 10 percent is made up of the 1 percent of capitalists and 7-9 percent of “self-employed” (not that we’ve anything against most of them as they don’t exploit the working class).

The trouble is “We Are The 93 percent” is not quite so snappy a slogan.

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AS PREDICTED in January's Material World about international climate change meetings, more business opportunities have unfolded within the framework of cutting greenhouse gas emissions but when the facts are out there has been no advance in reducing those emissions.

December sees the seventeenth Conference of the Parties (COP17) taking place in Durban, South Africa, a city which has had massive coverage from CNN TV, for one, promoting a super-green city with a host of wonderful big green business opportunities in and around it. This view is totally at odds with that of Patrick Bond, South African activist and scholar, writing that the ASSAF report (Academy of Science of South Africa) totally plays down or omits to mention some of the worst of recent decisions and builds in the city. There is also no mention of the 'national context' of the world's third and fourth biggest coal-fired power plants under construction in South Africa but the report is full of 'greenwash attempting to disguise high carbon economic policies with pleasing rhetoric.' Lead negotiators for South Africa at the Durban meeting are representatives of Eskon, electricity producers and the country's single largest polluter.

June 2012 will be the twentieth anniversary of the beginning of these meetings and a return to Rio de Janeiro where, in 1992, at the first 'Earth Summit' UN members signed the United Nations Framework Convention on Climate Change which is still the governing treaty. It states that members promise to stabilise greenhouse gas emissions in time 'to prevent dangerous anthropogenic climate change' (but without any specific targets). Who will be there next year to remind them of this broken promise? Perhaps 'dangerous' is not a word that can easily be agreed upon explicitly even if 'anthropogenic' (originating in human activity) is accepted.

Wasted years

If you think that too much time has been wasted in those 20 years consider this: in 1896 a Swedish chemist, later to win a Nobel prize, first calculated that continued burning of fossil fuels would lead to a hotter earth; in 1904 the USA's first solar-powered electrical plant was built in St Louis and the second soon after in the Mohave desert – the company to be driven out of business a few years later by *cheaper* coal and gas plants.

COP17 runs from 28 November - 9 December but there are alternative meetings to look out for – African



Arnot Power Station,
Middelburg, South Africa

women farmers of La Via Campesina, 30 November - 2 December; a Global Day of Action on 3 December; and a Mobilisation Day for Agroecology and Food Sovereignty in Durban and worldwide on 5 December. Associations such as these of small farmers clearly understand that they, their descendants and the great majority of the world's population are under serious threat from agreements reached (or not) at 20 years of international climate meetings by the very nations which profit most and which produce the largest volumes of harmful emissions, on their own soil or outsourced for their own consumption as food, biofuels and products of industrial factories.

How bad is it after 20 years of non-binding, ineffectual, voluntary agreements? Most people will have heard the latest statements following a number of recent scientific studies which are pointing to similar conclusions: that new findings are more than 20 times likely to show that global climate disruption is 'worse than previously expected' rather than 'not as bad as previously expected.' Recent reports confirm that from 2009-2010 worldwide emissions increased by 6 percent. At a London conference in October over 100 medical and military professionals, including the chairman of the BMA, were signatories to a statement saying that lower carbon use would save vast amounts of health care money and they submitted a list of demands to all governments.

Wars and climate pollution

The Pentagon, the largest institutional user of petroleum products and energy, is not subject to any international agreements nor is its total use transparent. The US air force is the world's single largest consumer of jet fuel at 25 percent. The Stratocruiser uses as much fuel in 10 minutes as an average driver in a year. Studies done by Oil Change International looking at the climate pollution of war found that the full cost of the Iraq war would cover 'all the global investments in renewable power generation needed up to 2030 to reverse global warming trends and that between 2003 – 2007 this war generated more CO² equivalent each year than 139 countries release annually. With figures like these it's easy to see how hollow and ironic are the calls for individuals to make green life style changes.

The worldwide industrial food system, change of land use entailing massive deforestation for monocrop production and biofuels plantations, production of crops as commodities rather than food, all cause huge but unnecessary additional emissions. With big investors around the world looking for profitable returns capitalist politics takes no heed of public opinion on any topic, from Canada's tar sands, Australia's coal, USA/NATO's wars, to misappropriation of indigenous land and common wealth.

The Climate Vulnerability Monitor measures four main impacts of climate change: health, weather, habitation and the economy. The most intransigent states at the last meeting were those least under threat and most committed to strong economic growth. The bottom line to *this* business as usual with foreknowledge of the chaos, disruption and necessary flight of hordes of homeless and hungry as a result of inundation and drought – impacts caused by continuing stubbornly along this road to ruination – is surely premeditated murder of billions from sheer hypocritical self-interest.

JANET SURMAN



Oliver Letwin – Eccentric or Fake?

election, they registered the highest turn-out in the United Kingdom. Effectively it is the Lib Dems who are now the opposition there – and this in a constituency which includes the tragic village of Tolpuddle. The Tory-comfortable loyalty of this corner of rural England is now represented by Oliver Letwin, consistently one of the party’s policy wonks, once Shadow Chancellor of the Exchequer, Shadow Home Secretary, author of a doctoral thesis *Ethics, Emotion and the Unity of the Self*, but also the originator of some of the most spectacular blunders even among Honourable Members.

He refuses to read newspapers because they tell him “nothing I need to know” – but what they tell us about him suggests there are other reasons for his calamitous record.

Liberals and Fabians

Even before he came into Parliament, Letwin was displaying symptoms of what we might politely call a characteristic confusion. At Cambridge he was active in the university Liberal Club and later explained how this fitted in with his career aim to become the Conservative leader: “I was also a member of the Fabian Society...this was because I was interested in the thoughts of Liberals and Fabians (and still am) rather than because I was a Liberal Democrat or a Fabian”. It is probably kindest to assume that the famously brainy Letwin resolved this contradiction with a typically clever evasion – joining a party opposed to both the others – which, incidentally, offered him the best chance of reaching the top in politics. His first attempts to become a parliamentary candidate were for two London seats. West Dorset in 1997 was much gentler and more secure, offering shelter from Tony Blair’s landslide. But then came the blunders. In 2001 he was credited (Gordon Brown went so far as to thank him) with helping Labour to stay in power by proposing, as Shadow Chief Secretary to the Treasury, that a Tory government would reduce public expenditure to the tune of some £20 billion – a seriously unpopular suggestion. Many politicians would have responded to such pressure by simply bluffing it out, but Letwin chose to go underground, which provided yet more ammunition to his opponents, such as the Labour party member who dressed as Sherlock Holmes and, complete with bloodhound, pretended to sniff out the fugitive Shadow Minister.

Predators

Letwin’s stints as Shadow Home Secretary followed by the equally prestigious Shadow Chancellor, may have boosted his self-esteem to the point of seeing himself as a future party leader and then, after a little inter-reaction with the voters, Prime Minister. But it would also have made him vulnerable to the predatory tunnelling of his rivals. In 2003 he was leaked as saying that he would “rather

go out on the streets and beg” than let his children go to an inner-city London comprehensive. In reply to the consequent storm of outrage the best he could do was to protest that the remark had been made in a private conversation – which failed to answer his critics and left untouched the central matter of Letwin’s acceptance that what is called education is, like all else in capitalism, class determined.

Schooled in these prejudices at Eton, Letwin is now a director of the Sherborne School for Girls, whose annual fees are as much as £26,700. A multimillionaire, he works for N.M.Rothschild, described as a finance house, where he “earns” £5020 for 35 hours work in a year – not enough to pay for a place at Sherborne but a useful sum to the parents of comprehensive kids. This secure lifestyle is in contrast to that of employees such as teachers and hospital staff, who were recently attacked by him for their supposed lack of application to their work. At a meeting at KPMG – another collection of financiers – he gave vent to what seemed to be a particular frustration to him: “You can’t,” he raved, “have room for innovation and the pressure for excellence without having some real discipline and some fear on the part of the providers that things may go wrong if they don’t live up to the aims that society as a whole is demanding of them”. However, he seemed to be ready to abandon his own guidelines for disciplining fear when in May 2005 he was moved from Shadow Secretary of State for Environment, Food and Rural Affairs at his request for a less demanding job to follow his career among the bankers and the hedge traders in the City. After the Tory win in May 2010 he got even more free time when Cameron appointed him to the new, vaguely titled job of Minister of State for Policy.



Above: Letwin. Below: fellow Old Etonian Boris Johnson



Sheffield

Despite his reassuringly avuncular exterior, Letwin can give voice to some pretty scabrous opinions on those he regards as his social inferiors. In April, in a clash with his fellow Old Etonian Boris Johnson over the expansion of airports, he sneered “We don’t want more people from Sheffield flying away on cheap holidays” – which united Johnson and several thousand others, including Sheffield Hallam MP Nick Clegg, in outrage.



Eton college

Undeterred, Letwin attracted further merciless exposure in the media when he was observed, while walking in a Westminster park, stuffing a lot of official correspondence into rubbish bins and giving some to a collector. His attempt to defuse the matter by explaining that “I... simply wanted to make sure the pieces of paper were not weighing me down” was less than helpful to him. It has been known for a politician who is in a tangle with the voters to try to divert attention from their confusion with a cloak of beguiling eccentricity. It is, however, unusual to be confronted by so blatant and unrepentant a practitioner as the Rt. Hon Oliver Letwin MP – one of the more extreme, exotic leaders to personify the system’s stagnant and wasteful character.

IVAN

The Next War?



Capitalism's war drums are never silent. They are always pulsating in the background. At certain times they become more strident—now is one of those times.

Only the incurably naive believe that capitalism is possible without war. Warfare is as intrinsic to capitalism as are its prices, wages and profits. The subtext of Angela Merkel, the German Chancellor's, warning about the collapse of the Euro that: "Nobody should believe that another half century of peace in Europe is a given — it's not," (*Daily Telegraph* 9 November) reveals that material factors such as access to markets and resources, and the protection of trade and trade routes, rather than ideological reasons are the root causes of war.

The prospect of conflict with Iran frequently makes the news. Apparently, like Iraq, they're busy developing nuclear weapons. But Iran is also situated in a strategically important area to Western powers. On 3 November the drumming increased when the *Guardian* warned it had learned that: "planners expect any campaign to be predominantly waged from the air, with some naval involvement, using missiles such as the Tomahawks. . . There are no

plans for a ground invasion, but "a small number of special forces" may be needed on the ground, too". The BBC reported six days later that Russia's foreign minister, Sergei Lavrov has warned that: "Military action against Iran would be a 'very serious mistake fraught with unpredictable consequences' . . . His comments come after Israeli President Shimon Peres said an attack on Iran was becoming more likely". Just to underline how volatile and dangerous capitalism is, one day later, as the BBC also reported, Leon Panetta, the US Defence Secretary, commenting on a strike against Iran, also warned that it could have "unintended consequences".

Securing energy supplies is a basic condition for the continued existence of every nation state. The media delights in reporting the discovery of new oil fields and estimating the find in billions of barrels of oil. To put these finds in context; a billion barrels of oil will last the world at current rates of consumption—just 12 days (oilprice.com 9 November). Most studies show that existing

supplies will not meet capitalism's future needs. Thus struggles for access and control of them are inevitable.

Consequently, the drums are echoing around the Arctic region as it looks set to become the next battleground in the scramble for profits. Global warming is rapidly melting the icecaps making shipping routes more accessible and the prospect of exploration virtually certain. Time for agreements between the competing NATO members, Canada, Norway, Denmark, Greenland, the US; and Russia is diminishing. Accordingly *Timeworld* could report on President Putin's speech to his political party that: "Russia intends without a doubt to expand its presence in the Arctic. We are open to dialogue with our foreign partners ... but naturally, the defence of our geopolitical interests will be hard and consistent." The next day Putin's defence minister, Anatoly Serdyukov, announced that: "two army brigades, or up to 10,000 troops, would be deployed to defend Russia's claims to the Arctic" (8 July).

The industrious US Defence Secretary Leon Panetta had earlier located more potential problems for capitalism. This time with another major competitor—China. The *New York Times* could report that: "earlier this month, Mr. Panetta was blunt about his worries. "We're concerned about China," he told American service members in Naples, Italy. "The most important thing we can do is to project our force into the Pacific — to have our carriers there, to have our fleet there, to be able to make very clear to China that we are going to protect international rights to be able to move across the oceans freely" (23 October). Robert D. Kaplan's October 2011 *Foreign Policy* article 'The South China Sea is the future of conflict' reveals why US interest in the Western Pacific and the South China Sea is so important to Washington. "More than half the world's annual merchant fleet tonnage passes through these waters and a third of all maritime traffic. . . Roughly two-thirds of South Korea's energy supplies, nearly 60 percent of Japan's and Taiwan's energy supplies, and about 80 percent of China's crude-oil imports come through the South China Sea.

What's more, the South China Sea has proven oil reserves of seven billion barrels and an estimated 900 trillion cubic feet of natural gas". Nine states whose land-mass borders



The US bombing of Iran in 1988

the South China Sea are laying claim to all, or some of it. All nine are dependent on Washington for diplomatic and military support.

The war drums were at their most raucous when *The Global Times*, published under the authority of the central committee of the Chinese Communist Party, printed the headline "The time to use force has arrived in the South China Sea; Let's wage wars on the Philippines and Vietnam to prevent more wars." It went on to stress that: "The South China Sea is the best place for China to wage wars. Of the more than 1,000 oil rigs there, none belongs to China; of the four airfields in the Spratly Islands, none belongs to China; once a war is declared, the South China Sea will be a sea of fire" (UPI, 3 October).

Noam Chomsky has drawn attention to the construction of a US military base on Jeju Island, 50 miles southeast of South Korea's mainland which will "host up to 20 American and South Korean warships, including submarines, aircraft carriers and destroyers, several of which would be fitted with the Aegis ballistic-missile defence system". He goes on to add that: "Not surprisingly, China sees the base as a threat to its national security. At the very least, the base is likely to trigger confrontation and an arms race between South Korea and China, with the US almost inevitably involved" (*Truthout* 7 October).

China, over the last decade, has been making major inroads into East Africa. And it isn't just the prospect of cheap, unorganised labour that attracted them. UPI reported on 10 March last year that: "East Africa is emerging as the next oil boom following a big strike in Uganda's Lake Albert Basin. Other oil and natural gas reserves have been found in Tanzania and Mozambique and exploration is under way in Ethiopia and even war-torn Somalia". It is:

"the last real high-potential area in the world that hasn't been fully explored". However, the *Economist* could warn just 21 days later that: "several jealous Western governments and companies want to stall China's advance into the Congo basin, with its vast reserves of minerals and timber".

John Pilger writing in the *New Statesman* about President Obama's "humanitarian mission" to go to the aid of the Ugandan government in its battle to defeat the "fewer than 400 fighters" of the Lord's resistance Army (LRA) by sending in 100 US combat troops argued that: "WikiLeaks cables and the



Russian soldiers 'deployed to defend Russia's claims to the Arctic'

US National Strategy for Counterterrorism show, American plans for Africa are part of a global design in which 60,000 special forces, including death squads, operate in 75 countries. As the then defence secretary Dick Cheney pointed out in the 1990s, America simply wants to rule the world" (20 October). Perhaps Pilger could have added—through the control of its natural resources.

Many writers have seen China as the emergent heir to America's crown. The BBC reported that the building of "aircraft carriers, high-speed trains, anti-satellite systems and so on is not just for any intrinsic value they possess, but because the Communist Party leadership see them as symbols that distinguish great powers from their competitors" and that the manned space programme "and its successors are for China, symbolic proof that China is emerging as a 21st Century superpower" (29 September).

In 1957 the Chinese Communist Party Secretary General, Deng Xiaoping, described the initial steps to becoming a superpower. "The Soviet Union has the atom bomb. Where does the significance lie? It lies in the fact that the imperialists are afraid of it. Are the imperialists afraid of us? I think not . . . The United States stations its troops on Taiwan because we have no atom bombs or guided missiles" (*Nuclear*

Weapons Databook, p. 327). Once acquired what do you do with them? A *Financial Times* (14 July, 2005) report gives you an idea of what the military mind thinks: "Major General Zhu Chenghu, Commandant and Professor at the College of Defence Studies at China's National Defence University, points out that the US has designated nuclear targets east of Xian. In the event of a war breaking out between China and the US over Taiwan, he has told foreign visitors on two occasions in 2005 that: 'We will prepare ourselves for the destruction of all the cities East of Xian.' He also reminded his audience of China's nuclear targeting capacity on US cities."

Ask most people about the prospect of nuclear war and they would dismiss the idea. Iraq, Afghanistan and Libya have barely touched most western people. War has become remote done by others that are feted and paraded as heroes by the media. As Malcolm X once said: "If you're not careful the newspapers will have you hating the oppressed and loving the people doing the oppressing." Libya was sold to people as a "humanitarian



Ross Caputi

mission". Aristotle's: "We make war that we may live in peace", written 2300 years ago, still comes in handy today. Perhaps the words of someone who has experienced war is the most relevant end to an article about war.

On 11 November Ross Caputi, a Marine Corps veteran of the second siege of Fallujah related his "Thoughts on the role of veterans in the Occupy movement" through the Information Clearing House:

"I did not serve my country in Iraq; I served the 1%. It was on their behalf that I helped lay siege to Fallujah, helped kill thousands of civilians, helped displace hundreds of thousands of innocent people, and helped destroy an entire city. My 'service' served Exxon-Mobil, Halliburton, KBR, Blackwater, and other multinational corporations in Iraq".

Ross Caputi is actively engaged in seeking an end to war. Are you?

ANDY MATTHEWS



Rouble-makers

The court case pitting two Russian oligarchs against each other throws some light on how some capitalists originally accumulated their capital.

In any private-property society, there is always a boundary (which can be, and often is, changed from time to time) between those parts of the means of production (factories, farms, mines, transport) owned by individual members of the upper class, and those parts owned by the state itself – which is, of course, the executive committee of the upper class. From time to time, and for varying reasons, the state authorities may decide to unload part of the state’s holdings of these valuable assets. For example, in England in the 1530s, King Henry VIII took advantage of the jealous greed of the English upper class as they looked at the vast properties of the Catholic Church – perhaps amounting to a third of the land of England – and (since he was annoyed with the Pope for refusing to let him get rid of his Queen and marry a much younger woman who he hoped would give him a male heir) he declared himself to be the head of the English Church, and therefore owner of all the Church’s property. Being continually short of funds, he then sold or even gave away the church lands to favourites. So, anyone who had wormed himself into a position at court and could please the king through services more or less disreputable could get nice big estates very cheap or even free. Anyone who laughed the longest when the king made a joke or thought up the most obsequious flattery or was unscrupulous enough to do the king’s dirty work for him was in line for a big chunk of the former church lands. The

reason so many of England’s old aristocratic families live in houses called something Abbey or something Priory is that they have estates which were pinched from the Church by Henry VIII and then handed on to some devious ancestor.

What happened then has happened again much more recently – different country, different century, but basically the same process at work. For England in the 1530s read Russia in the 1990s. The old state capitalist system, established by the Bolsheviks after the 1917 revolution, was breaking up. Those in power in the Russian Empire, the old U.S.S.R., were more and more coming to the conclusion that the modern world demanded less economic power in the hands of the state, and more economic power in the hands of individuals. Under Gorbachev, who was the top man from 1985 to 1991, permission was given for small businesses to start up outside state control. Under Boris Yeltsin, who was in power from 1991 to 1999, this trickle became a flood. It was help-yourself time. Anyone in the small circle of Yeltsin’s advisers and friends – or anyone who could chum up with anyone in that small circle – could get his hands on enormously valuable slabs of state property at knock-down prices. In 1990, Russia’s industries belonged to the state. By 2000, only a decade later, Russia’s



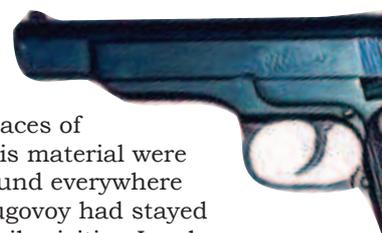
industries belonged to a small group of men, who became known as the “oligarchs”.

This process was not risk-free, of course. To amass a multi-million pound fortune, and then to build it into a multi-billion pound bank balance, and to stop others grabbing your share, strong-arm methods were necessary. Gangsterism was rife. Rivals would be found dead and the police could never work out who had done the deed, particularly after they got their pay-off. Each oligarch, or would-be oligarch, had a squad of bodyguards, both to “deal with” (so to speak) anyone who stood in his way and to make sure rivals did not “deal with” him. These strong-arm men were, quite rightly, feared. One oligarch, Boris Berezovsky, ran a television company in Moscow; the man in charge of security at the television station was Andrei Lugovoy. He was a former KGB officer who worked for Berezovsky for nearly ten years. Then he apparently moved on to work for Mr Putin. Another former KGB officer, Alexander Litvinenko, alleged there was widespread corruption in the Russian government, and had to flee to

Britain in 2000; there, he continued to attack Putin. On 1 November, 2006, Lugovoy came to see him; the same day he fell ill, suffering from poisoning by the radioactive substance, polonium-210.



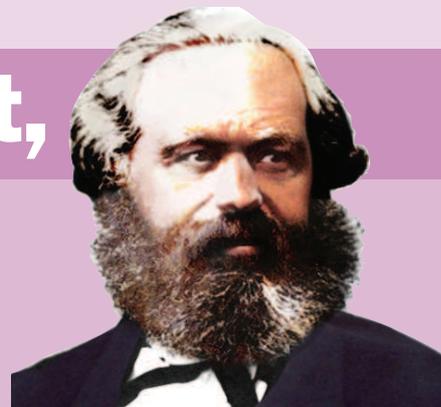
Natalya Estemirova, Anna Politkovskaia, Alexander Litvinenko - more journalists and writers are murdered in Russia than anywhere in the world except Iraq



Traces of this material were found everywhere Lugovoy had stayed while visiting London – three hotels, a restaurant, two aircraft. Litvinenko



Saying Marx Is Right, Getting Him (And Capitalism) Wrong



“God save me from my friends; I can protect myself from my enemies.”

Karl Marx’s circle of friends, or at least friendly acquaintances, has grown considerably since the financial crisis broke out in the autumn of 2008. Now, three years later and with many countries facing a double-dip recession or worse, articles titled “Was Marx Right?” (or even “Marx Was Right”) are a fairly common sight in the pages of the financial press.

Twenty years ago, with the collapse of the Soviet Union, it was so obvious to most that Marx had been wrong that he was subject to more ridicule than criticism—or simply ignored altogether. Followers of Marx may find it satisfying that he is now being taken seriously, but the standard used to conclude that he is “right” in 2011 is not much different from the one employed in 1991 to prove he was “wrong.”

Then as now Marx is often treated as a nineteenth-century Nostradamus, as if his main aim had been to predict the future course of capitalism or prophesize its end. Judged on this basis, Marx has been deemed right whenever capitalism is struggling or appears to be on its last legs, only to be proved wrong again during the next economic recovery or boom. (And since many assume that Marx sketched the blueprint for state capitalism, a system still commonly referred to as communism or socialism, his critics have pointed to false predictions about a future utopia as another reason he is wrong.)

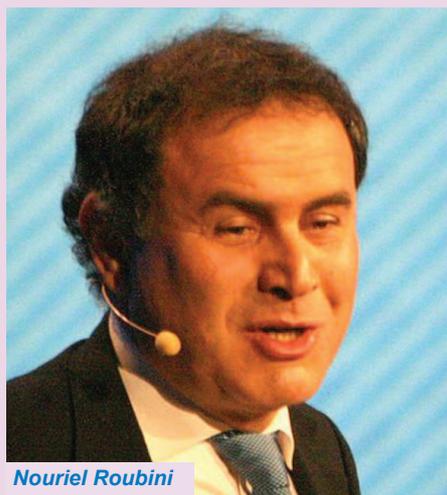
Using the word “prediction” to describe the results of Marx’s investigation of capitalism is a bit off the mark. The term is only apt in the sense that his analysis of how capitalism functions, which reveals its limits or boundaries as a profit-driven system, can serve as a basis for “predicting” what sorts of problems will arise under it. But these are more general expectations than specific predictions, and from experience we already know

what sort of trouble to expect from capitalism. The significance of Marx’s analysis is that it explains *why* those problems – such as unemployment, war, and poverty – are permanent fixtures of the capitalist social system.

Dr. Doom digs Marx

One of the most widely-quoted “Marx was right” comments in recent months was made by the economist Nouriel Roubini, who earned fame and the nickname “Dr. Doom” for correctly predicting a messy end to the housing bubble. In a videotaped interview with the *Wall Street Journal* in August, Roubini said: “Karl Marx had it right. At some point capitalism can self-destroy itself. That’s because you cannot keep on shifting income from labor to capital without not having an excess capacity and a lack of aggregate demand.”

And Roubini repeated the same point in an article titled “Is



Nouriel Roubini

Capitalism Doomed?” in which he wrote: “So Karl Marx, it seems, was partly right in arguing that globalization, financial intermediation run amok, and redistribution of income and wealth from labor to capital could lead capitalism to self-destruct (though his view that socialism would be better has proven

wrong). Firms are cutting jobs because there is not enough final demand. But cutting jobs reduces labor income, increases inequality and reduces final demand.”

Roubini’s praise for Marx gets his ideas on crisis wrong in two significant ways worth exploring: Marx certainly did *not* think that workers’ limited consumption is the real cause of crises (or that increasing their consumption is a way out); nor did he think of a major crisis in terms of the potential “self-destruction” of capitalism.

Greedy but not stupid

The “underconsumption” theory of crisis that Roubini ascribes to Marx is in fact a position that he had harshly criticized. On just an empirical level, Marx thought it dubious to claim that “crises are caused by the scarcity of effective consumption” because experience shows that they are always directly preceded by “a period in which wages rise generally.” Thus, according to the underconsumption theory, “such a period should rather remove the crisis” (*Capital* vol. 2).

The more interesting rebuttal of the theory, however, can be found in Marx’s explanation of why capitalists, as Roubini laments, end up “cutting jobs [which] reduces labor income, increases inequality and reduces final demand.” Are they simply too stupid and greedy to know what’s good for them? Should they read Roubini’s latest book to figure it out?

Capitalists may indeed be greedy and short-sighted, but they are not stupid when it comes to their own interests. Unlike the advocates of the underconsumption theory, they are smart enough to remain focused on obtaining profit, knowing that to fall short of that goal can mean falling out of the capitalist class.

Raising the wages of their own workers may contribute to expanding the overall “final demand” but it cuts directly into their own

individual profit. Moreover, the beneficiaries of a wage increase at one capitalist firm will be *other* capitalist firms, particularly those producing consumer goods. Such an act of self-sacrifice on the part of some capitalists is even less likely to occur in an economic crisis, when it is already difficult for many firms to secure a more or less average level of profit. Roubini should know that when the prospects for profit are dim, capitalists will prefer to curtail or even cease production altogether, not raise wages. He can lament the situation all he likes, but it is perfectly rational behaviour under the irrational capitalist system.

Yet the underconsumption theory of crisis, despite its inanity, has continued to seem attractive and plausible to some capitalists (and most Leftists). Marx explains how the theory reflects capitalists' rather fond view of the workers of other capitalists: "Every capitalist knows this about his worker, that he does not relate to him as producer to consumer, and [he therefore] wishes to restrict his consumption, i.e. . . . his wage, as much as possible. Of course he would like the workers of *other* capitalists to be the greatest consumers possible of *his own* commodity" (*Grundrisse*).

Roubini sees that restricted consumption limits final demand, and fancies that the solution can be found in simply reversing the situation by increasing consumption to expand final demand. He never stops to think about why consumption must be limited in the first place. Roubini views restricted consumption as the cause of crisis when in fact it is the natural outcome and also the basis of a system designed to squeeze profit from workers' labor.

Ignoring the profit motive and its relation to workers' wages, Roubini feels free to dispense his wisdom on how the current crisis can be overcome by means of a "return to the right balance between markets and provision of public goods" in order to "enable market-oriented economies to operate as they should and can." Instead of imagining the "should and can," however, Roubini would be better advised to consider the "how and why."

A forcible solution

The other way Roubini gets Marx wrong is by saying that he envisaged the possibility that capitalism could "self-destruct" in a crisis. Alarming



Collapse: the Soviet Union

capitalists by pointing to this dire prediction may be part of Roubini's shtick as Dr. Doom, but at the same time it is a fairly widespread assumption regarding what Marx thought.

Marx does describe the occurrence of a world crisis as an "explosion" or "eruption" of capitalist contradictions and antagonisms, or even as a "destructive process." But far from viewing crisis as the potential end of capitalism, Marx describes it as a "forcible solution" or "forcible adjustment" that temporarily restores the disturbed equilibrium, and as a violent process involving the "real concentration and forcible adjustment of all the contradictions of bourgeois economy" (*Theories of Surplus Value*).

The capitalist contradictions or antagonisms Marx is alluding to concern things that are linked to, yet independent of, each other – such as the relation between sale and purchase, or between the production process and circulation process. These things are clearly connected and interrelated, yet they can diverge from each other. The potential for sale and purchase to diverge, for instance, is magnified greatly under our modern credit system, where an inability to conclude one transaction can unleash a chain reaction that disrupts other transactions.

Crises according to Marx are a forcible means of bringing such contradictory (semi-independent) elements back into some sort of alignment with each other so that the system can better function. This view of crises as a solution, albeit a crude and violent one, contrasts with the outlook of Roubini, who sees the destruction of a crisis as an avoidable problem rather than an unfolding solution.

Marx seemed to have economists like Roubini in mind when he wrote: "Instead of investigating the nature of



Self-destruct? Capitalism

the conflicting elements which erupt in the catastrophe, the apologists content themselves with denying the catastrophe itself and insisting, in the face of their regular and periodic recurrence, that if production were carried on according to the textbooks, crises would

never occur" (*Theories of Surplus Value*).

The entire focus for an economist like Roubini is on coming up with practical solutions to crisis, not understanding why crisis occurs or what it tells us about the contradictions and limitations of capitalism. Marx thought of crisis as a phenomenon to be understood, not as a problem that could be solved. Even if we can manage to understand the exact causes of a specific crisis and fully examine all of the contradictions and antagonisms that are "strikingly revealed" (*Theories of Surplus Value*) in it, we are still not in a position to solve or prevent future crises. This is because the contradictions that explode in a crisis are all an integral part of the capitalist system.

What is clear from reading Marx is that the only way to get rid of crisis is to replace capitalism with a new system, free of capitalist barriers and antagonisms. This is not a "prediction" of the end of capitalism, but an explanation why workers must bring about its end.

In his analysis of crisis and other phenomena, Marx always seeks to understand *why* things are the way they are, not to predict when they might disappear or how the system might "self-destruct." The defenders of capitalism are less interested in the why of things, than in making suggestions for how they *should* be, as if problems like crisis could be avoided if only capitalists followed the recommendations of economics textbooks. And this fosters the misguided hope that capitalism can (some day) be reformed. It's natural for these economists to misinterpret Marx, even when praising him: they take capitalism completely for granted, and Marx didn't.

MICHAEL SCHAUERTE

2011—A Year of Change

As another year in the capitalist madhouse comes to a close it's time to review the maladies, and some of the medicine its inmates have had to stomach.

January marked the beginning of the end for a trio of North African leaders in what has been dubbed the "Arab Spring". Just a few months earlier these men were embraced and cosseted by Western leaders and their docile media. Transformation can happen quickly inside the madhouse. Our erstwhile friends and allies once considered sane have now been diagnosed as mad dogs, tyrannical torturers, and despotic murderers.

Zine El Abidine Ben Ali of Tunisia was the first on his toes. Once a beloved partner of the EU, now just another fallen idol. The aftermath of the fall of Ben Ali culminated in the Islamist Ennahda party winning 41.47 per cent of votes. Rioting followed in Sidi Bouzid, the site of the uprising that deposed Ben Ali. The *Daily Mail* (24 October) reported the insights of 'Belhoussein al-Maliki, 27, who said that he'd fought in the January uprising. "We are jobless, we have nothing and we won't vote. Everything is the same, the world is the way it is, and the world will stay the way it is."

Next it was Egypt's turn. Egyptians in their tens of thousands took to the streets, perhaps, encouraged by the speed and unambiguous exit of Ben Ali. What is certain is that they'd had enough of Mubarak and his "Clan". Like leaders before him Mubarak turned Egypt into his own personal thieftom. And it wasn't just those on the streets that resented this. Obama and his cronies, who dispensed the aid that Mubarak pilfered, dithered, waiting to see which way the wind was blowing. But the hurricane from the street proved too powerful and Mubarak fled to his villa in Sharm el-Sheikh. An inconclusive trial, of sorts, followed. The aftermath once again was violent and began in Tahrir Square: "bloody scenes prompted fears that Egypt is drawing ever closer to a sustained religious conflict that cannot be controlled. There were reports



of violence erupting in several Egyptian towns and cities with large Christian populations in the aftermath of the pandemonium in Cairo" (*Daily Telegraph*, 9 October). Divide and conquer? Election dates are still under discussion. The time-frame to elect a president put forward by the ruling military council remains nebulous: "perhaps the end of 2012, or early 2013".

Regime-change in Libya came next. The same socio/economic reasons underpinned the uprising by Libyans but in contrast to Tunisia and Egypt the conclusion didn't look so clear cut to Western leaders. Thus, under the charade of a humanitarian mission Western planes and missiles bombed General Qaddafi's forces so that the outcome would become predictable.

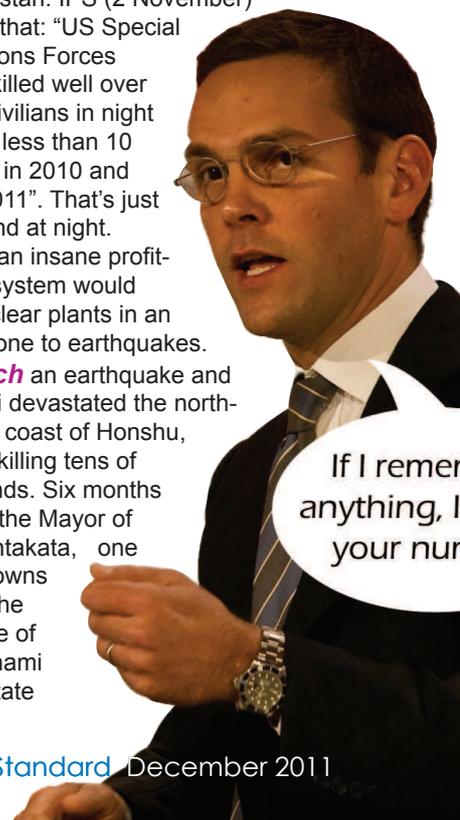


Another example of how quickly a friend becomes your foe under capitalism—and why—was when the BBC reported (25 March 2004) the amicable meeting between Qaddafi and Tony Blair in 2004, supposedly for Qaddafi to join the West in its fight against terrorism. However, as discussions took place "it was

announced Anglo-Dutch oil giant Shell had signed a deal worth up to £550m for gas exploration rights off the Libyan coast."

On September 8, Naji Barakat, the Health Minister of the National Transitional Council, stated "that about 30,000 people were killed during the war. At least 50,000 war-wounded, about 20,000 with serious injuries . . . but this estimate was expected to rise" (*Wikipedia*). Six weeks later the *New Statesman* reported that "running up the Stars and Stripes in "liberated" Tripoli last month, US ambassador Gene Cretz blurted out: "We know that oil is the jewel in the crown of Libyan natural resources!". Not wanting to miss out on the profits scramble Philip Hammond, British Defence Secretary advised that, "British executives should be "packing their suitcases" and heading to Libya to win contracts" (*Daily Telegraph*, 4 November). The ongoing conflicts in Syria, Bahrain, and Yemen didn't warrant humanitarian intervention. However, intervention carries on unabated in Afghanistan. IPS (2 November) reports that: "US Special Operations Forces (SOF) killed well over 1,500 civilians in night raids in less than 10 months in 2010 and early 2011". That's just SOF. And at night.

Only an insane profit-driven system would site nuclear plants in an area prone to earthquakes. In **March** an earthquake and tsunami devastated the north-eastern coast of Honshu, Japan, killing tens of thousands. Six months on and the Mayor of Rikuzentakata, one of the towns to feel the full force of the tsunami could state



If I remember anything, I your nur

that, “the government has said it will give us funds for reconstruction, but we haven’t received any money yet” (BBC, 12 September). More inmates reduced to begging from their political masters.



for them to drive or to be seen in public without a male chaperone watching over them.

Very little ink has been wasted on climate change. But Reuters (23 **October**) provided this snippet: “global temperature rise could exceed “safe” levels of two degrees Celsius in some

On 1 **May** the world was notified that it could sleep easily in its bed with the assassination of the world’s number one bogeyman: Bin Laden. America was deliriously happy, Pakistan less so. Throughout the year stories of phone hacking by Murdoch’s hacks continually made the front pages. Newsnight was besotted by it. The broadsheets wrote piously about it. On 11 **July** that citadel of great British hackery, The News of the World, ceased printing. Then came the pantomime of the big bad wolf, Murdoch himself, and his slavering young cub of a son having to appear in front of a flock of pious MPs. Liars, cheats, fraudsters and hypocrites have been implicated in these revelations - and that’s just the police involvement. How long before the Sun on Sunday appears?



parts of the world in many of our lifetimes, if greenhouse gas emissions continue to increase, two research papers published in the journal Nature warned”. Got kids? Grandkids? Content to sit on your arse?

As a backdrop to the above events we have “The Crisis”, which is gaining momentum, rather than abating as most of capitalism’s gurus envisaged. Bank of England governor Mervyn King said, “this is the most serious financial crisis we’ve seen at least since the 1930s, if not ever” (BBC, 7 October). And nearly “15% of the US population relied on food stamps in August, as the number of recipients hit 45.8 million” (Wall Street Journal, 1 **November**). People in every country are struggling with the repercussions of “The

The police were also involved in **August** in ‘The Riots’. Yes, surprise, surprise, we had rioting in London. Must have been our turn. LA next? Chicago? Paris? The media has been hard at work trying to uncover why. Perhaps the risibly named Ministry of Justice figures might help: “90% of those brought before the courts were aged under 21. Only 5% were over the age of 40. Thirty-five percent were claiming out-of-work benefits, which compares to a national average of 12%. Of the young people involved, 42% were in receipt of free school meals compared to an average of 16%. Three-quarters of all those who appeared in court had a previous conviction or caution. For adults the figure was 80% and for juveniles it was 62%. Seventy-five percent of the young people in court were classed as having some form of special educational need, compared to 21% for the national average”. What the capitalist asylum excels at is converting children into criminals.

Crisis”. This has led to class conflict - the dynamic of change. What began in Tunisia in January has evolved in to a different type of struggle - one that is still evolving. It’s a struggle to see through the bourgeois opacity that Anton Pannekoek described as: “the power of the inherited and confused ideas, the formidable spiritual power of the middle-class world, enveloping their minds into a thick cloud of beliefs and ideologies, dividing them, and making them uncertain and confused”.

If a fiction writer had to plot a path

to socialism, Chapter One might include: a socio/economic backdrop that exacerbates the gulf between the classes; a growing distrust, dislike and willingness to take on politicians, and those that enforce the states’ laws; an embryonic distrust of academia and the media; a generalised growth of discontent with the status quo; a meeting-up of people with divergent ideas in a central area where discussion could take place; the technology to instantly exchange ideas and arrange meetings locally and globally; an exponential growth of these leaderless movements across continents; the veil of morality that bourgeois ideology hides behind falling ever further to reveal more and more of its contradictions and hypocrisies. Chapter Two—Reclamation. Understanding socialism is relatively easy. Understanding capitalism, first, is the hard part. All socialists had to undergo that process.

The *New York Times* (26 November 2006) reported Warren Buffet as saying, “there’s class warfare, all right, but it’s my class, the rich class, that’s making war, and we’re winning”. And he’s right. We are losing. But only a battle, in a war of ideas. 2011 has been memorable. Those actively engaged in the struggle deserve our respect and admiration. Perhaps 2012 could be the year that we can puncture Warren Buffet and his class’s smugness. A year to give our class cause for optimism. There isn’t an infinite amount of time in which to win this war. The madhouse is becoming increasingly mad. Now is the time for those who’ve been content to sit on the sidelines to become active. If not, then the war could be lost. And the mad will have won.

ANDY MATTHEWS



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Famine in Africa was once again worth some newsprint and the usual pleas for money. Absurdly, reformers beg for money to alleviate poverty when its existence is the root cause of poverty. On **September 25th** the good King Abdullah, of that bastion of freedom and justice, Saudi Arabia, granted women the right to vote. However, they’ll still need to be driven to the polling station as its illegal





Organised warfare has existed in virtually all property societies, including present-day capitalism. But the methods and numbers of combatants are rapidly changing. And the cost of modern warfare, it would seem, is becoming too expensive even for the United States. Hence the increasing use of what “US officials describe as a cheap, safe and precise tool to eliminate enemies” (*Internal Herald Tribune*, 3 October), such as the use of predator drones in Afghanistan, Pakistan, Libya and elsewhere. Not that drones come on the cheap, or are as safe and accurate as US propagandists often claim.

Says Micah Zenko, a fellow at the Council of Foreign Relations: “The lessons of the big wars is obvious. The cost in blood and treasure is immense, and the outcome is unforeseeable. Public support is declining towards rock bottom. And the people you’ve come to liberate come to resent your presence.” Quite.

The result is what the *Tribune* calls “shrinking budgets”, which no longer accommodate the deployment of large US forces overseas. Apparently, each soldier costs the American state about one million dollars per year.

There have been improvements over the last decade in the technical capabilities of remotely piloted aircraft. Although the article does not say so, such drones - first, as spy planes and then later as missile-carrying aircraft - have been developed in Nevada at Area 51, the supposedly secret base

To Drone or Not to Drone

America's War on 'Terror'

much beloved by UFOlogists.

Again, although not generally publicised in the mass media, they are controlled from the US Air Force Base also in Nevada.

Since General Petraeus (he now likes to be called “Mister”!) has become director of the CIA, he has pioneered the use of drones, with the support of Defence Secretary, Leon E. Panetta, who has been an enthusiastic advocate of drones in Pakistan.

The operation of drones is however, not that simple. Each aircraft requires a team of more than 150 personnel, maintaining and repairing it, as well as the collection of radio signals, videos and “voluminous intelligence necessary to prompt a single strike”. And the so-called pilot (a murderer by remote control) sits in front of a computer thousands of miles away in America. The US Air Force spends at least \$5 billion a year just on its remotely piloted drone systems.

Yet compared with a conventional war it is not particularly expensive – the wars in Afghanistan and Iraq will by the end of this year have cost America at least \$4 trillion!

The CIA consider that attacks by drones alienate, and kill, fewer people than conventional armies, but admit that they have angered many Pakistanis, who resent the inevitable civilian casualties when, as often happens, the drones go awry, or are directed not to “terrorists” (that is anti-American ones), but to villagers.

According to the Pentagon, the

use of drones is just one of the many capabilities at America's disposal "to go after terrorists and others". It is tied to a policy; not just the use of them as weapons for weapon's sake.

They are deployed where it is tough to go after an enemy by conventional means – such as in Pakistan's mountainous tribal areas.

Zenko is concerned about the growing perception that the use of drones is the answer "to terrorism, just a few years after many officials believed that invading and remaking countries would prove the cure".

It would seem, however, that they never learn.
PETER E. NEWELL



Who controls the world?

Some people think that a sinister elite controls the world from behind the scenes. Candidates for this role range from the Bildeberg Group (which does exist) to the Elders of Zion (who don't). These conspiracy theorists would be heartened by a recent headline in the *New Scientist*: "Revealed – the capitalist network that runs the world."

A study of 43,000 transnational corporations (TNCs) by a team of systems theorists from the Federal Institute of Technology in Zurich revealed:

'a core of 1,318 companies with interlocking ownerships. Each of the 1,318 had ties to two or more other companies, and on average they were connected to 20. What's more, although they represented 20 per cent of global operating revenues, the 1,318 appeared to collectively own through their shares the majority of the world's large blue chip and manufacturing firms - the "rear economy" - representing a further 60 per cent of global revenues. When the team further untangled the web of ownership, it found much of it tracked back to a "super-entity" of 147 even more tightly knit companies - all of their ownership was held by other members of the super-entity - that controlled 40 per cent of the total wealth in the network. "In effect, less than 1 per cent of the companies were able to control 40 per cent of the entire network".'

(newscientist.com/article/mg21228354.500)

'Runs the world' is too strong as it implies that the 'super-entity' is actually in control of the economy whereas its components have to operate within and accept the constraints of

the uncontrollable world market.

Nor is any conspiracy implied. It is rather a description of the structure of the world economy. Systems theorists see it as a typical pattern of complex systems. For Marxists, it's confirmation of Marx's view that the tendency of capitalism is for the concentration and centralisation of production and ownership.

The researchers claim a practical outcome from their research: that, as the *New Scientist* put it, it could help identify ways of making capitalism more stable'.

The assumption seems to be that if one of the 1,318 gets into financial trouble this will affect all those others within the network with which it has links. But the links that are relevant for the workings of the economy are not so much ownership and control as suppliers (sellers) and buyers (users). If, for instance, because of overproduction in the industry, a steel plant has to close, then the suppliers of all its materials will be affected; as will its workers and those of its suppliers and the stores and shops which sell them consumer goods. That's the way overproduction in one key industry spreads to the rest of the economy.

The

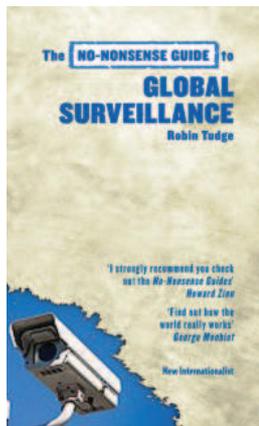
researchers' proposal – 'global anti-trust rules ... to limit over-connection amongst TNCs' – wouldn't solve this problem. In fact it might make it worse by encouraging more, inevitably chaotic competition. In any event, it is only intended to prevent the initial shock spreading so fast and so far. Since capitalist production proceeds by way of series stops and starts such shocks are inevitable from time to time. There's nothing governments can do to prevent this. Conspiracy theorists misread this as showing that governments are beholden to a shadowy elite.

They can relax. The world economy is not controlled by an elite (even if there is an easily identifiable elite that benefits from it). It is not controlled by anybody. It's an uncontrollable economic mechanism that can only be ended by making the Earth's resources, natural and industrial, the common heritage of all. A 'New World Order', if you like, but a democratic one.



Big Brother

The No-Nonsense Guide to Global Surveillance. Robin Tudge. New Internationalist.



My first thoughts on finishing this book were: not for the paranoid. Although this journal has covered the issue of global surveillance in the past, Trudge takes us deeper, and into a world in which

our every movement is monitored, if not via CCTVs, then via our online activity, whether it be on Facebook or Google (where every word searched is stored and matched to the searcher's ISP address), or our shopping, banking and travelling preferences and our activity in the workplace. Moreover, this information, whether in private hands, gleaned by the state, by social networks or by social welfare, is shared and converged between corporations and other states on a scale that beggars belief, and all ostensibly rationalised on the grounds that it is in all our interests.

Our governments, corporations and even social network sites such as Facebook are unremittingly urging us to pass on to them ever more information about us. They simply can't get enough on us. Tudge informs us that data about the average Briton, for example, is on about 700 databases – and asks “who can name even ten of those databases?”

For some time, just to take one example of the problem, there has existed ECHELON, a global communications network, spying on us from land, sea, air and space, “intercepting every phone call, email, fax, telex or message sent...and fed through computers for keywords, and supercomputers for converting speech into text...sifting text for keywords that are flagged up.”

ECHELON, however, is not just about monitoring us, the potentially revolutionary masses. It is “also used for commercial interest, to earn its way in the world and to profit its backers.” Tudge reports how one Euro MP has claimed: “European businesses have lost over 20 billion Euros due to ECHELON's

interceptions being used to pip the competition – as when McDonnell-Douglas scooped a \$6 billion deal with the Saudis over the French and Airbus, while Raytheon muscled in with a share of a £1.3 billion radar deal between Brazil and a French radar company.”

It is, however, in the post-9/11 era that we have seen a huge growth in surveillance. In a world in which governments are wont to tell us they are fighting for our freedoms, the most effective means of winning consent for repressive laws, the suspension of human rights (eg, habeas corpus) and increased surveillance, is to scare us into acceptance, to create a global society in which we are all under suspicion from boyfriends, men in beards and absolutely anyone boarding an aeroplane.

Indeed, former MI5 chief, Stella Rimington, accused MPs of “frightening people” so as to pass laws to interfere with their privacy and civil liberties, achieving “precisely one of the objects of terrorism: that we live in fear and under a police state.” An example of this was when the British government used its presidency of the EU to produce a report entitled *Liberty and Security: Striking The Right Balance*, effectively a manifesto demanding a range of new EU-wide surveillance measures.

There is a lot of ground covering the technology of control in this short book, from the first use of fingerprints in ancient Babylon and by Chinese bureaucrats to authenticate clay tablets and seals on documents, right up to the present and ongoing debate about the need for biometric ID cards. The author is not hesitant in pointing out just whose interests are really at stake. As he observes: “Progress in this field [biometrics] as in many others is not defined by proficiency, but by profit. Despite the economic downturn, the global biometric market is expected to grow at an annual rate of 18% between 2010 and 2012”. So, not only do our masters get to monitor us, but the very practice brings them profit.

Meanwhile, Microsoft has patented wireless sensors which, when linked to computers, monitor workers' heart rate, respiration rate, temperature, facial movements and brain signals. “When conjoined with workers' psychological profiles and data on their weight, age and health, managers could be remotely informed of levels of frustration or stress and help or dismiss accordingly.”

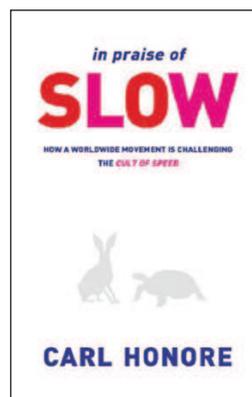
The desire of an elite to make a profit at the expense of the majority and the need to make sure the workers do not get in the way of those profits, is really at the heart of the global surveillance society, and this the author continually draws our attention to. Our governments, and the corporations they serve as the executive for, are indeed very much concerned about security – but it's theirs not ours, the continuing security of a elite whose power is derived from their class position. They do not see advances in technology as a means to benefit humanity, but as a means to tighten their control over us.

JOHN BISSETT

Taking it easy

In Praise of Slow. Carl Honoré. Orion Books.

How To Be Free. Tom Hodgkinson. Penguin Books.



Honoré's book is hard to pigeon-hole. Part self-help manual, part commentary, part investigation and part a downshifting guide book, it looks into some fundamental questions

about how we in the West particularly live our modern lives.

So much of today is rushed, pushed on by rabid consumerism and overbearing industrial culture that we are in danger of losing ourselves, our perspectives and our direction as individuals as well as a species. The pace of modern living continually re-enforces the ‘speed is good’ culture, the work harder, work longer, live faster ethic. In this book Honoré looks at what drives this insanity and the growing rejection of it by ever larger numbers of people. Although mainly anecdotal and sometimes trivial even, the light style is easy to read. He investigates various ways in which individuals and groups are rejecting the constant work-earn-spend cycle and taking time to live a little, before going on to suggest ways in which you can adopt a slower lifestyle.

Reading this as a socialist, I found some of the arguments obvious and

WALMART *The High Cost of Low Price* (Tartan DVD. A Robert Greenwald Film)

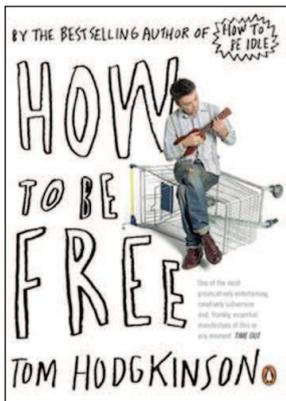


ALMOST EVERYONE has heard of Walmart (Asda in the UK) but many are unaware of the effects of its practices on populations around the world. Owned by the Walton family, who collectively are worth around \$100 billion, Walmart has the world's largest work force of any private employer. This makes this in-depth scrutiny of the impact of globalisation for profit highly pertinent.

Impoverishment, destruction of communities and non-unionised and illegal work practices figure strongly as do the sometimes clear, sometimes opaque links to government policy-making in the USA. Walmart moves into town promising employment; builds a megastore structure and hires staff; displays every commodity that can already be found in town (and more); undercuts local prices and very soon oversees the closure of long-established, former successful small family businesses – causing unemployment, ghost towns and impoverishment of communities. If a

some a little woolly, but to be fair to the author I don't think he set out to tear into the cause behind what he refers to as the 'cult of speed'. We know that capitalism is the driving force that creates many, if not all, the problems referred to in the book. The solutions proposed and, indeed, being implemented by some groups clearly have merit, but are not available to all and never will be without wholesale revolutionary change.

However, the reasoning behind acting, thinking and generally taking life a bit slower is something we can all aspire to and provides a topic to engage people in discussing the



shortfalls of modern life and how things can be better under a different system. Hodgkinson's first book, *How To Be Idle* was reviewed here last month. I read his *How To Be Free* on the recommendation of a friend. It had inspired him to leave behind London for Sussex and adopt a 'good-life' complete with chickens. Must be some book I thought!

Hodgkinson's writing style is very

readable. Each chapter is a short guide to breaking free from the chains modern society binds us with. Railing against supermarkets, the nine-to-five culture, careerism, mass-production, and pensions, amongst others, with humour, literary references, quotes from songs and poems, fascinating historical anecdotes and large slices of real life, he explains how each of us can be 'free'.

Although the book is written with some tongue in cheek, it does make for a great read and emphasises some salient points about the way we live under capitalism and how and why it could and should be much better. The ideas are rooted in doing something with your own life now as individuals rather than through any collective action, although conversely much is made of the advantages of being in a group.

Whilst much of the book gives good ideas and can sow the seeds of rebellion, most assume a position of some luxury to start with (I don't think Hodgkinson has come from a council estate in Manchester). I enjoyed reading it and have even gone so far as trying out some of the ideas, but kept coming back to the fact that for most people taking up some of the suggestions would be very impractical. However, as a book that questions the ethos behind consumerism and urges the reader to take personal action to stop buying 'stuff', it is a great read.

DH

Sugar Rush



A NEW adaptation of Roald Dahl's *Charlie and the Chocolate Factory* has appeared on our screens. The main character is Willy Wonka, who sits at the heart of his gleaming business empire. One day, he

decides to hold a competition to lure the greediest children into his exclusive world. In a cruel endurance test, the selected kids are picked off one-by-one until the winner is rewarded with their own company. In the BBC's new version, the affable-yet-intimidating Willy Wonka is played by Lord Alan Sugar and they've changed the title to *Young Apprentice*.

This is really a youthful spin-off from *The Apprentice*, of course. But that shouldn't stop the estate of Roald Dahl from claiming royalties. In both *Apprentice* shows the contestants divide into teams which compete to make the most money. Their tasks are usually to market and sell a product: ice creams in week one, baby products in week two. Each week, a member of the losing team is 'fired' by the pointing of Lord Sugar's chubby finger. Oompa-Loompa co-judges Nick Hower and Karren Brady unfortunately don't break into song after each contestant leaves. Instead, they sit disapprovingly

in the background, occasionally raising an eyebrow when someone says something crass, such as claiming a flower arrangement had "rainforest chic".

The teenagers taking part are all of the Veruca Salt variety: over-confident, self-obsessed and as irritating as sandpaper underwear. They all speak in vomit-inducing slogans from motivational posters: "I'm not focused on making friends, I'm focused on getting to my goals", "I'm a ball of enthusiasm waiting to explode". In fact, they don't behave much differently to their pound-sign-eyed older counterparts in *The Apprentice*, and that's what's most unsettling. People are rightly concerned about children being exposed to sexual or violent influences. But why aren't more of us also worried about how they can be corrupted by the world of big business? Why should children aspire to be money-hungry power-dressers with a permanent sneer? On a visit to London's Natural History Museum, one contestant announced "I hate both nature and history but if it makes money then I'll get to like it". And during a task to flog gadgets to the over 50s, another said "old people do just wanna like sorta dash their money 'cos they just don't see the point in saving any more". Sadly, the winner of *Young Apprentice* will be the one who takes these attitudes furthest. Perhaps they'll use their winnings to open a chocolate factory?

Mike Foster

Meetings

community is strong enough to fight and either prevent the actual build or to force closure retrospectively then Walmart simply ups sticks and moves a few miles outside the town or county border and the end results for the community are the same.

There is a strong anti-union imperative within the company and such a climate of fear of punishment among employees that it was very difficult to find current workers in the US ready to speak out on record. Ex-employees, however, were less reluctant. National employment laws being different around the world one example of workers defying the Walmart no union rule was in Quebec, Canada, where they were successful in forming a union (according to local law) with the result that Walmart won anyway – they just closed down.

How is it that Walmart can give such cheap prices and offer 2 for the price of 1? Benevolence from a caring, hugely profitable megabusiness? No, they simply pass the cost on to the farmers or other suppliers. He who pays the piper... The film doesn't stop at covering the retail side of the business; also there are interviews and filmed information from China, Bangladesh, Honduras and Saipan (US territory) to reveal the impact of the Walmart style of sweatshop labour and conditions around the world.

This film could be an excellent stimulus when viewed together by a group prepared to discuss and further understand the ways in which capitalism systematically works against workers, against regulations, against communities and for the ongoing accumulation of the few.

JS

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

London

ST PAUL'S.

Sunday **4, 11 and 18 December**, 12noon to 3pm.

Literature Stall.

(nearest tube: St Paul's).

CLAPHAM

Saturday **10 December**, 4-7pm

THE RISE OF CHINESE CAPITALISM

Speaker: Paul Bennett.

Socialist Party premises, 52 Clapham

High St, SW4 7UN (nearest tube:

Clapham North).

CHISWICK

Tuesday **20 December**, from 7.30pm

Seasonal Social.

Barley Mow Pub, 9 Barley Mow Passage,

London W4 4PH

(nearest tubes: Turnham Green, Chiswick Park).



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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

Grounds for Appeal

A FOOTBALL stadium used to be a place where, apart from watching the match, you bought a meat pie and a plastic cup of lukewarm tea. But now stadiums are like shopping malls, intended to get the captives (sorry, spectators) spending as much as possible and so make lots of money for the owners.

Recently the super-rich owner of Chelsea Football Club tried and failed to buy the land occupied by the club's Stamford Bridge ground. This was so he could sell the stadium and move to a larger one on a different site. Ironically, the freehold of the land was owned by supporters who bought £100 shares back in 1993, in a move designed to protect the ground from being snapped up by developers.

Stadiums and their grandstands are often quite out of place among terraced houses and corner shops. But rarely is the contrast quite so stark as at the new motor racing circuit for the Indian Grand Prix, which took place



A scene from the Indian Grand Prix

for the first time at the end of October. The circuit cost £130million to build, amid wasteland and poverty-stricken villages. The workers who built it were not even paid the pittance they were promised, and were forced to live in makeshift tents with no sanitation.

Among those who came to watch the grand prix were some of India's growing capitalist class. As one local hotelier noted, 'there are lots of billionaires, not just millionaires'. So there were plenty of people able to pay the inflated prices, even while those who did the work were barely able to eat. And that's just an extreme form of capitalism, not something totally alien to it.

PB

50 Years Ago

Stalin - the God who fell

FOR STALIN, the final disgrace. His simple grave now mocks the memory of the days when he was the great dictator, who could make Krushchev caper like a court jester.

It mocks, too, the memory of the fulsome praise that was heaped upon him when his pitiless rule was at its height. Here is part of a poem which was published in *Pravda* on August 28th, 1936:

O Great Stalin, O Leader of the Peoples,

Thou who didst give birth to man,

Thou who didst make fertile the earth,
Thou who dost rejuvenate the Centuries.

Thou who givest blossom to the spring,

...

And this is Krushchev himself, speaking at the eighteenth Congress in 1938 on the extermination of Stalin's opponents:

'... Our victory in defeating the fascist



Krushchev with Stalin

agents—all these despicable trotskysts, bukharinists and bourgeois nationalists—we owe above all to the personal effort of our great leader, comrade Stalin. . . . Long live the towering genius of all humanity, the teacher and the guide who is leading us victoriously to Communism, our beloved comrade Stalin.'

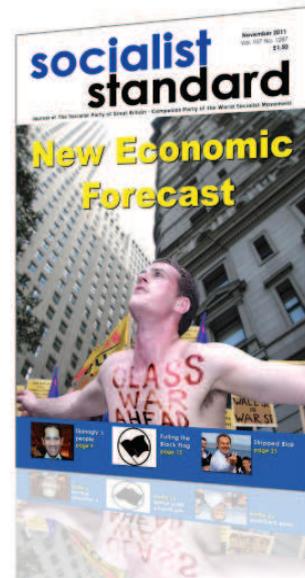
Now that the truth about the "beloved comrade" is officially acknowledged in Moscow, we can expect some more rewriting of history, just as it was when Stalin wanted to eliminate the memory of his enemies.

In England the Communist Party will be in confusion for some time. Always taking their line from Moscow, they were among Stalin's worshippers, and disregarded the facts about the Russian dictator which Socialists, and others put before them. The latest change of policy will be hard to swallow, even for them.

(from editorial, *Socialist Standard*, December 1961)

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Voice from the Back

Another Business Opportunity

A new invasion force is already plotting its own landing on the shores of Tripoli. 'Western security, construction and infrastructure companies that see profit-making opportunities receding in Iraq and Afghanistan have turned their sights on Libya Entrepreneurs are abuzz about the business potential of a country with huge needs and the oil to pay for them... A week before Colonel Qaddafi's death on October 20, a delegation from 80 French companies arrived in Tripoli to meet officials of the Transitional National Council, the interim government. Last week, the new British defence minister, Philip Hammond, urged British companies to 'pack their suitcases' and head to Tripoli' (*New York Times*, 28 October). It is always good to see the fall of a dictator, but obviously the capitalist class are more interested in profit than democracy.

A Tale Of Two Cities

The economic downturn has not affected everyone quite as harshly. 'An Egyptian billionaire has splashed out £37 million on a London flat as the overseas goldrush for metropolitan property continues. ... Many foreign buyers have focused on flats at One Hyde Park, where prices of more than £7,500 per sq ft have been reached. More than £1.4 billion of flats have been sold at the estate since it opened last year' (*Times*, 29 October). So while you can be stopped in the streets of London by some poor desperate, homeless person asking 'any change?' somewhere not far away some billionaire is luxuriating in a splendid flat. Londoners live in two cities.

A Tale Of Two Nations

The USA is the most developed capitalist nation in the world and it has some of the richest people in the world. It also has some people desperately poor. 'Nearly 15% of the US population relied on food stamps in August, as the number of recipients hit 45.8 million. Food stamp rolls have risen 8.1% in the past year,

the Department of Agriculture reported, though the pace of growth has slowed from the depths of the recession. ... Mississippi reported the largest share of its population relying on food stamps, more than 21%. One in five residents in New Mexico, Tennessee, Oregon and Louisiana also were food stamp recipients (*Wall Street Journal*, 1 November). This gap between rich and poor is not unique to the USA. It is a worldwide feature of capitalism.

Labour Exposed

The Socialist Party has always maintained that the Labour Party's support for capitalism gave the lie to their claim that they were a party of the working class. Labour supporters have always denied this but now one of their numbers has shown who they really support. 'Ken McIntosh, the MSP for Eastwood, who yesterday launched his campaign for the leadership, said that he wanted to be the 'business candidate', appealing to corporate Scotland for support' (*Times*, 29 October).

Forgotten Heroes

On 11th November every year all over Britain they commemorate the millions killed in war. Veterans parade in city squares, military bands play rousing music, reverend gentlemen mouth platitudes, and of course politicians make promises. 'David Cameron said ministers would 'strain every sinew' to do more for service personnel and their families. The Remembrance weekend initiative aims to end the scandal of veterans being left too poor to buy a home and unable to get on a social housing list' (*Daily Mail*, 12 November). In 1918 politicians told us it was a war to end all wars. It turned out to be an empty piece of rhetoric – just

like Cameron's latest piece of political bombast.

Military Reality

The Hollywood stereotype of war veterans returning to a hero's welcome from their home town population amidst cheering crowds and flag-waving adulation is just that - a Hollywood invention. 'One US veteran of wars in Iraq and Afghanistan attempts suicide every 80 minutes, according to new study. In a staggering indictment on the lack of mental health programmes in the U.S. military, the report reveals 1,868 veterans made suicide attempts in 2009 alone. Many veterans face dealing with post-traumatic stress disorder, high unemployment and a loss of military camaraderie after returning from tours' (*Daily Mail*, 3 November). We can't expect Hollywood to reflect this grim reality – it's not good box office material.



FREE LUNCH

