

socialist standard

December 2018

Vol.114 No.1372

£1.50

Journal of The Socialist Party of Great Britain

Companion Party of the World Socialist Movement

A SPECTRE HAUNTS THE WHITE HOUSE



ALSO:
GERMAN BANKS
THE REAL DONALD TRUMP
BOLSHEVIK ANTI-SOCIALISM



9 770037 825006

socialist standard

Contents December 2018

Features

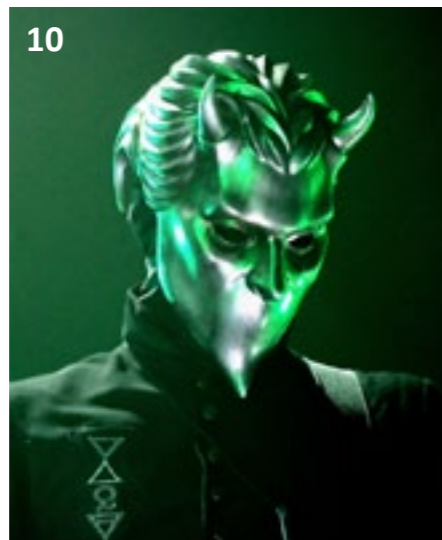
6 **Brexit, Schmexit**
Enough Already!

10 **Reds Under Trump's Bed**
A Spectre Haunts the Whitehouse

12 **Reality Trump Check**
Yer Average Bourgeois

14 **Scapegoating the Banks?**
Capitalism is the Real Enemy

16 **Bolshevik Anti-Socialism**
More Leftist Nonsense



Regulars

4 **Pathfinders**

6 **Cooking the Books 1**

7 **Wood for the Trees**

9 **Material World**

18 **Cooking the Books 2**

19 **Proper Gander**

20 **Reviews**

22 **50 Years Ago**

23 **Meetings**

24 **Rear View**

24 **Free Lunch**



Introducing the Socialist Party

The Socialist Party advocates a society where production is freed from the artificial constraints of profit and organised for the benefit of all on the basis of material abundance. It does not have policies to ameliorate aspects of the existing social system. It is opposed to all war.

The *Socialist Standard* is the combative monthly journal of the Socialist Party, published without interruption since 1904. In the 1930s the *Socialist Standard* explained why capitalism would not collapse of its own accord, in response to widespread claims to the contrary, and continues to hold this view in face of the notion's recent popularity. Beveridge's welfare measures of the 1940s were viewed as a reorganisation of poverty and a necessary 'expense' of production, and Keynesian policies designed to overcome slumps an illusion. Today, the journal exposes as false the view that banks create money out of thin air, and explains

why actions to prevent the depredation of the natural world can have limited effect and run counter to the nature of capitalism itself.

Gradualist reformers like the Labour Party believed that capitalism could be



transformed through a series of social measures, but have merely become routine managers of the system. The Bolsheviks had to be content with developing Russian capitalism under a one-party dictatorship. Both failures have given socialism a quite different -- and

unattractive -- meaning: state ownership and control. As the *Socialist Standard* pointed out before both courses were followed, the results would more properly be called state capitalism.

The Socialist Party and the World Socialist Movement affirm that capitalism is incapable of meaningful change in the interests of the majority; that the basis of exploitation is the wages/money system. The *Socialist Standard* is proud to have kept alive the original idea of what socialism is -- a classless, stateless, wageless, moneyless society or, defined positively, a democracy in which free and equal men and women co-operate to produce the things they need to live and enjoy life, to which they have free access in accordance with the principle 'from each according to their abilities, to each according to their needs'

All original material is available under the Creative Commons Attribution-NoDerivs 2.0 UK: England & Wales (CC BY-ND 2.0 UK) licence.

Editorial

The Vote and its Misuse

The general election in Britain a hundred years ago this month was significant in a number of ways.

It was the first election to the House of Commons in which some (most but not all) women were allowed to vote and stand as a candidate. It was also the first parliamentary election in which all men had the vote, the belated achievement of the Chartist aim set out in 1838. In the war that had just ended, now presented as a war to preserve democracy, there was the ironic situation of soldiers supposedly fighting for this who didn't have the vote (at least a third of them) lobbing shells at soldiers on the other side who did. But then, as we explained in last month's editorial, the war was not about democracy but about conflicting imperialist aims.

Only one woman was elected -- Constance Markievicz -- but as she was a Sinn Feiner she did not take up her seat at Westminster but met with the other Sinn Fein MPs in Dublin in January 1919 to proclaim themselves the parliament of the Irish Republic (to be marked in Ireland by patriotic centenary celebrations next month). The IRA claimed legitimacy for its various bombing campaigns over the

years on the basis that it had a mandate from the Sinn Fein MPs elected to the British Parliament in 1918, preposterously even up to eighty years later. To this day Sinn Fein MPs refuse to take their seats at Westminster as this would involve taking an oath of allegiance to the British Crown. That's their choice though we have always said that this farcical act should not prevent a socialist MP taking their seat.

The result of the election was a landslide victory (outside Ireland) for supporters of the war-time Coalition led by Lloyd George, which the *Socialist Standard* of the time described as an 'imperialist victory'. An election in France in November 1919 was to produce a similar result with a decisive victory for the war-time government -- the *Union sacrée* -- under Clemenceau. Even in Germany in elections in January 1919, with an 83 percent turnout only 5 percent voted for the breakaway Independent Social Democrats, the only party to employ an anti-capitalist rhetoric. Women there, too, were able to vote for the first time but most voted for the conservative Catholic and Protestant parties.

So Lenin was clearly (unfortunately) wrong in proclaiming that an epoch of

world revolution had opened up after the end of the World War, his justification for the Bolsheviks seizing power in the name of socialism in a country that had none of its preconditions. But at least he recognised that socialism had to be world-wide.

The other lesson is that the vote is a weapon and like all weapons can be misused as well as used properly. In 1918 and 1919 workers in Europe, not to mention the United States, misused the vote to continue with capitalism and in Britain and France to return war-mongers to power. The Chartist pioneers must have been turning in their graves. In view of how the vote has been used since they still will be.



FREE
3-month trial
subscription
to the
**socialist
standard**



For a 3-month trial subscription to the **socialist standard**, or to request more details about the Socialist Party, complete and return this form to **52 Clapham High Street, London SW4 7UN**.



Please send me an info pack



Please send me a trial subscription to the **socialist standard**

Name

Address

Postcode

Subscription Orders 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'.

PATHFINDERS

The Only Way Is Ethics (Not)

IS THERE *anything* you do, eat, wear or travel in that *isn't* bad for the environment? Palm oil, used in a zillion products, is now being demonised as the new plastic, and one frozen food company has taken the 'ethical' decision to stop buying in palm oil products, while astutely trying to capitalise on this strategy with a Christmas ad featuring a cutesie kid and baby orang utan who sadly shows her his forest utopia being charred and bulldozed for the sake of her hair products. The ad went viral on YouTube after it was banned from the TV by regulators because it was produced by Greenpeace, deemed a 'political' organisation although by our definition they're not as they don't stand candidates for parliament. At the time of writing there is a heart-warming online campaign to overturn the ban ('Iceland Christmas ad: Petition to show it on TV hits 670K', BBC Online, 13 November). No doubt the firm's marketing director can expect a stuffed bonus in their Christmas stocking for this crafty coup.

Christmas is always the perfect time for guilt-trips which invite you to pause and reflect, during your orgiastic overspending, on your ethical profile, that thing about which you feel least certain and most guilty. But what do we understand by the word 'ethics' and how useful is it? Dogs, elephants and other animals are known to have a moral sense, and we humans regard the absence of a moral compass as a clinical defect. We devise moral frameworks, often hi-jacked by religions as the work of some deity, to codify our values, our social concepts and our politics. This is probably a form of evolutionary heuristic, or short-hand guide, since we don't have smart enough brains to calculate good survival strategies on demand. Instead we *feel* them as right or wrong, through some obscure associative process nobody really understands.

But there are inevitable problems with allowing your moral compass to do the driving. What if you have the wrong information? Have you corrected for your internal biases? If your morality doesn't square with other people's, who is to say who's right?

A group of programmers currently grappling with the complexities of moral codes are those trying to design the AI systems in self-driving cars. What has them perplexed is the nightmare no-win crash scenario known as the 'Trolley problem', in which you can only avoid killing one

lot of people by diverting your runaway tram ('trolley') down a different track and killing a different bunch of people. You can tweak this problem any way you like, by varying the characteristics of your two groups of 'victims', to see what difference this makes to people's ethical choices.

Being good scientists of course, they approached this scientifically and conducted a numbers exercise to see if they could derive a baseline consensus. What would most people want a self-driving car to do in such a situation? Unfortunately it depends who you ask. The Moral Machine survey collected 40 million decisions from across 233 countries, and found that while on average humans were prioritised over animals and younger people over older (unless the humans were criminals, they rated cats), the regional differences were strikingly hard to integrate into a viable framework.



For instance, the young-over-old ethic was much less apparent in Asiatic and Islamic countries, as was the high-status-over-low. South America and French colonies were less inclined to save humans over animals, unless they were specifically women or non-disabled people.

The problem for the programmers is that computer code relies on absolutes, and with morality there are no absolutes, only relatives. No wonder one ethicist describes the task of giving morals to

motor vehicles as 'finding the right comedic parabola, or the right colour of dance, or the right frequency for spaghetti' (*New Scientist*, 27 October).

As soon as you start asking ethical questions you get contradictory answers, and there is no objective yardstick, upon which all can agree, by which to judge them. So is it possible to use such a subjective approach to arrive at a consensual programme of action for the planet?

No, it isn't. That's why when we're making the case for socialism we prefer to stick to the facts. If the world is going to steer its way to a sustainable future instead of destruction it's going to need a practical and accurate roadmap more than it needs gods or cutesie ads or an impassioned polemic.

Place Your Bets Please

If you prefer gas to electric cookers it's probably because of the zero-response time when you adjust the heat settings. Cooking with electric involves too much thinking ahead, and an adjustment that's fractionally too high can result in milk boiling over the stove. A similar problem exists in long-latency industries like oil, where adjustments today 'feed through' to supply or price levels years down the line. This gives rise to a volatile futures market, which speculates on supply and price in the future. Today's US sanctions against Iran have caused large producers to pump at full capacity, but fears of future oversupply are depressing the futures market, in turn causing rampant selling and falling stock prices today, which of course will have knock-on effects on industry including food production ('Oil rally faces tidal wave of supply', *Reuters*, 4 November). So today's activities are not determined by today's objective and demonstrable necessities, but by some people's guesses at what the price of these things will be in a few years' time. If you think that sounds like reckless fast-buck gambling instead of responsible resource management, you've just hit on one essential difference between capitalism and socialism.

PJS



LETTERS

Taboo

Hi there!

Yesterday, I went to an Anti Racism conference in central London. On my way home, I popped into a bookshop (Housman's), found your magazine and bought a copy.

Let me start by saying that I don't neatly fit anywhere politically but it's important to me that everyone has access to the wealth created by this country and contributes to wealth creation in a way that is aligned with their skills, passions and experience. I think that socialist values play a part in that.

I'm writing to you because I was really disturbed by the article on the October magazine on 'Taboo and Criminality'. You mentioned an acquaintance with someone who was found guilty of sexual crime with an under age female who, after serving a prison sentence and was hounded out of his job by an internet campaign.

The article suggests that serving the prison sentence somehow draws a line for the perpetrator of the crime.

I too know someone found guilty of sexual crime and many, many victims. The man got away with it for decades and it involved children as young as five.

What I would say is that, some victims never, ever recover from sexual abuse. Their whole lives they suffer. It can stand in the way of their ability to really let go in loving relationship, love themselves, their bodies, be happy, whole, functioning people. Recognition of the decades long impact of sexual crime has may be one reasons that your friend was hounded out of his job. I don't know your friend of the circumstances.

This whole world, irrespective of political leaning, has hypocrisy embedded into it.

I can't see how a living in a socialist society will remove the activity of sexual exploitation and abuse. Your article didn't work for me. Hope you can see why.

Rozi.

Reply:

It is in the nature of social taboos that they arouse intense emotions. The abuse of the weak by the strong is repugnant to most of us but it can only be understood if we put aside our outrage in an attempt to comprehend it rationally. Your contention that 'this whole world, irrespective of political learning, has hypocrisy embedded into it' implies some type of irreversible evil in human nature, which we don't accept as being based on the scientific evidence. But if we accept instead that child abuse, like many other destructive behaviours, constitutes an abuse of power then it becomes necessarily a question of politics, i.e the origin and nature of that power. We contend that authoritarian social structures and hierarchies both motivate abusers and then facilitate their activities. The sexualisation of power is at the root of such behaviour and exists in nuclear family units, religious organisations, public schools, prisons, the military and so on. All of these institutions are part of and reflect the capitalist hierarchical social structure.

Prisons primarily exist to punish rather than to rehabilitate (which, of course, is infinitely more expensive) so we would consider that they typically make matters worse rather than 'draw a line for the perpetrator'. If in spite of all of this the offender truly regrets their behaviour and tries sincerely to rehabilitate themselves then does he or she not deserve a 'second chance'? We know, however, that many abusers were themselves abused and so we acknowledge the difficulties involved for both the community (including the victims) and the offender. These are tricky issues and it is possible that some individuals (hopefully small in number) are so scarred by capitalist society and with such fundamentally anti-social behaviour patterns, that they have to be kept away from others if rehabilitation doesn't work.

But because socialism addresses unequal power relationships at their source, we believe that it can certainly help to 'remove the

activity of sexual exploitation and abuse', along with all the other examples of this type of social relationship within capitalism, and it is one of the reasons some of us are socialists. – *Editors.*

Anger

Dear Editors,

Many times on hearing news like the bombing of a bus in Yemen carrying children, and of other atrocities, frustration and anger has made me feel like throwing a few petrol bombs about too, or somehow getting hold of an AK47 and attempting to assassinate the chairmen/shareholders of the arms companies profiting from it.

But I don't think it'd help. Do we really want to become another RAF/Baader Meinhof terrorist organisation? Bombing the (somehow depopulated) arms factories would perhaps stop it in the short-term, but new ones would be quickly built, and we'd likely as not end up rotting in prison cells.

Same goes for the assassination game. New parasitical fascist scum would soon replace the old. Plus killing isn't my idea of fun, and I don't see how brutalising and dehumanising ourselves, by turning ourselves into murdering dogmatic fanatics would help anyone.

We could, I suppose, divert our energies into making working for these people socially unacceptable (I for one wouldn't work for them, even if it meant starving on the street) but then we'd become nothing more than a mere anti-war party/protest group. And despite years of futile campaigns CND still haven't managed to 'ban the bomb.'

We have never been, and I sincerely hope we never become a party pursuing 'single issues'. Another consideration is that the people who are born into the ruling class didn't choose to be any more than we chose to be born into the working class. From birth they are as subjected to their own idiotic ideology as we are.

So who is culpable? Who is to blame? It could be argued we all are: the workers for swallowing the bullshit and not getting up off their lazy arses to end this tragic farce, and the owners, for being both subjected to, and perpetuating a brutal inhuman ideology.

So what is to be done? (As a vile mass murdering dictator once asked)

I am still haunted by the memory of a starving child in Africa (the Ethiopian famine of 1973, I think) who wanted nothing more than to taste a piece of bread for the first time. As a 9-year old child I remember crying to my parents 'please let me send him my bread' before the TV reporter announced that even though he was in hospital being treated, he still couldn't have his dearest wish fulfilled, as eating bread would have overwhelmed his severely malnourished system. Having never tasted bread, that child later died. While the EEC was paying farmers to leave fields uncultivated/fallow, and storing wine lakes and butter mountains.

Eleven years later, in 1984, another tragedy began to haunt my dreams. The image of a dead child's face, lying staring open eyed through the rubble of the Bhopal disaster. Another easily preventable disaster – if only the safety of people, and the planet we call home, could have been put before profit and the bottom line.

I have been cursed with the burden of a socialist worldview/ conscience for 37 years now, and have yet to find a better way forward than 'Agitation, Education, Organisation' until we meet a critical mass and undertake the revolutionary change required, whether that be by the ballot box, or some other (peaceful) means. If any one can think of some other strategy/quicker way forward, without compromising our core principles, I for one, would be more than willing to consider it.

M. I. McKay, Cumbernauld.

BREXIT, SCRIMEXIT

So, with only a few months till Brexit Day, the government (or most of it) has agreed with the EU on the terms of a withdrawal agreement. As previously negotiated, there is to be a transition period of 21 months between 30 March next year and 31 December 2020 during which the UK will remain in the EU's customs union and single market but with no say in any decisions about them; which Boris Johnson has described as being a 'vassal state', even though he was Foreign Secretary when this was agreed.

The intention is that during this period the two sides will agree a final settlement on the future trading arrangements. If they are unable to, then, again as previously agreed, there will be a 'backstop' to prevent a hard border, i.e. with customs checks, being re-erected between the two parts of Ireland.

The only new element is the terms of this backstop, with the EU insisting on safeguards to, in the event of no future trading agreement, prevent goods from the UK which don't meet the rules of the single market sneaking into it by this backdoor. It is this last that the extreme Brexiteers object to as a means of sabotaging the agreement. As do the DUP on the grounds that this would mean a different, however slight, trading arrangement with the EU for Northern Ireland.

The negotiations are all about trading arrangements

and, as such, don't concern the majority class of wage and salary workers. So we can let the capitalists and their political representatives settle the matter and observe who wins between the dominant section who want as similar a trading link with the EU as now (and who never wanted to leave anyway) and those that George Osborne, now editor of the London *Evening Standard*, has called 'those naive business leaders and hedge fund managers who thought that the dispossessed of our industrial towns were voting with them for Britain to become a Singapore in the North Sea' (14 November). We can also watch with amusement the Tory party tear itself apart over the issue.

We would only be affected in the event of the capitalist class's political representatives not being able to settle the matter, resulting in the UK crashing out of the EU without any agreement. This is unlikely but, if it happened, our lives would be temporarily, and from our point of view unnecessarily, disrupted. In Northern Ireland the Border with a capital B would be restored with all its negative effects on working class thinking, not to mention Irish Republican action, there.

One thing we don't want, thank you, would be the matter to be referred back to us in a second, irrelevant referendum. Why should we be asked to settle an argument between our masters which doesn't concern us?



Fukuyama goes reformist

'Francis Fukuyama interview: 'Socialism ought to come back' was the perhaps surprising title of an article in the *New Statesman* (17 October). Could the man who notoriously proclaimed that the 'end of history' was a liberal market economy with liberal political institutions have really said that? Not in so many words. Asked by George Eaton, the editor, for his view of 'the resurgence of the socialist left in the UK and the US', Fukuyama replied reasonably that 'it all depends on what you mean by socialism.' If you mean 'ownership of the means of production,' he said, 'I don't think that's going to work.' And went on:

'If you mean redistributive programmes that try to redress this big imbalance in both incomes and wealth that has emerged then, yes, I think not only can it come back, it ought to come back.'

But that is not what socialism means. Socialism is the common ownership and democratic control of the means of production and involves the abolition of production for the market in favour

of production directly to satisfy people's needs.

What Fukuyama was endorsing was the old Left programme to redistribute income and wealth from the rich to the non-rich. This is rather at variance with what he wrote in 1992 in *The End of History and the Last Man* where, comparing it with planning to develop capitalism by states in East Asia, he wrote:

'The Left's preferred kind of planning, with its intervention on behalf of the victims of capitalism, has historically had much more ambiguous economic results' (chapter 9).

Indeed it has and there is no reason to think that this will change. Increasing the consumption of 'the victims of capitalism' does not work in the end because it goes against the logic of capitalism which requires that priority be given to profit-making. Hence its 'ambiguous' economic result. In this instance the Fukuyama of 1992 had a better understanding than the Fukuyama of 2018. The fact is capitalism can never be made to work in the interest of its victims, the majority class of wage and salary workers.

In the interview Fukuyama also had something to say about Marx:

'At this juncture, it seems to me that certain things Karl Marx said are turning out to be true. He talked about the crisis

of overproduction ... that workers would be impoverished and there would be insufficient demand.'

While Marx did speak of crises of overproduction he did not think that they were caused by insufficient paying demand from workers. He pointed out that, on the contrary, 'crises are always prepared by a period in which wages generally rise, and the working class actually does receive a greater share of the annual production destined for consumption' (Capital, Volume 2, chapter 20, section 4). For him, crises of overproduction arose from the anarchy of production built into capitalism that led some businesses, in their competitive pursuit of profits, producing more than the market demand for their products and to this having a knock-on effect on the rest of the economy.

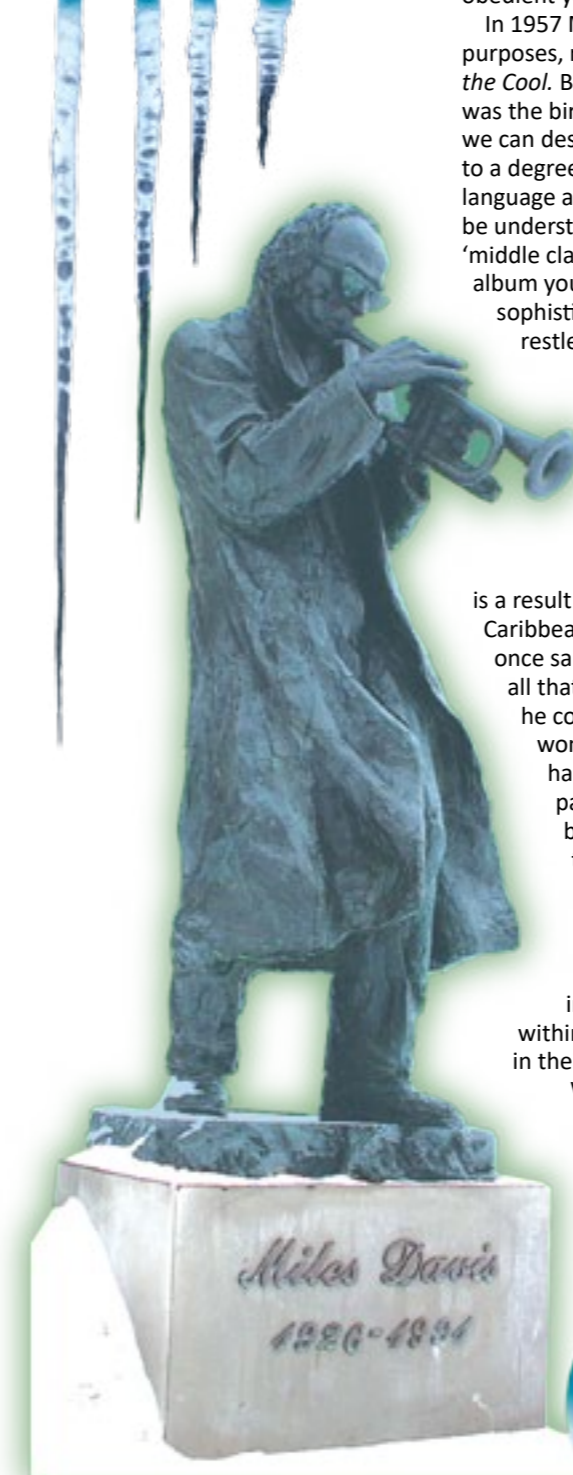
Even in his 1992 book Fukuyama was not that hostile to Marx since he saw him as a fellow Hegelian who held that history moved towards an 'end' (in the sense of an aim rather than a stop). His criticism of Marx was that the end of history was capitalism not communism.

In the interview he also referred to 'China's state capitalist model' but that's par for the course these days.

WOOD FOR THE TREES

ONE OF the longest surviving superlatives within the lexicon of youth is the word 'cool'. Why is a word used by my generation in the 60s still respectable among the adolescents of the 2010s? Was it always just a superficial affectation or can it also represent something of aesthetic or even political value? Recently whilst considering a

The



contemporary religious icon I conceded its beauty but criticised its meaning. A young woman said that I might be right but what was important about it was that it was so 'cool'. Her aesthetic sensibilities had completely overwhelmed her critical faculties. Marketing has always relied on this formula and so has given us a world of superficial consumerism where appearance always seems to triumph over substance. Let's visit the history of the 'cool' and see if it can be rescued from the clutches of the advertisers and their obedient youthful customers.

In 1957 Miles Davis conveniently, for our purposes, released an LP called *Birth of the Cool*. Black American counterculture was the birthplace of much of what we can describe as 'youth culture' and to a degree it still is. The music, the language and the fashion wear can all be understood as a counter to white 'middle class' culture. Listening to that album you hear an emotionally detached sophisticated urban sound with a restless under rhythm. A black perspective is commenting

upon a strange and foreign culture as it passes through, never resting and always alienated. It is the counterpart of the blues of the South. All of this, of course, is a result of 300 years of slavery in the Caribbean and the Americas. Someone once said to me that we should forget all that and 'move on' believing that he could sing the blues because his woman had left him and his dog had died. Needless to say that particular white guy could never be considered as cool. Somehow the hundreds of years of cruelty and exploitation had given black people a pride and strength that, although it could not be directly articulated in their everyday working life within a racist culture, was expressed in their music.

White working-class culture also fed into this music with its folk traditions but the main players were all black males until Elvis. It can be debated whether Elvis Presley established a wider audience for black music or if he

and his record company merely stole from it to make money – probably a mixture of both. But now rhythm & blues and rock & roll had a young white audience. Besides the rhythms they also adopted the cool that went with it culturally. This kind of 'white cool' is exemplified by Marlon Brando in the film *The Wild Ones* when while getting a drink at the bar the barmaid asks him: 'What are you rebelling against?' Brando answers: 'What have you got?' The white young male member of the working class was just as alienated as his black counterpart but not being politically conscious he rebelled against anything and everything that was considered to be part of the cultural establishment of his parents (aka a contempt for things 'square' – a term also from the jazz culture of the 40s and 50s referring originally to the rigid motions of a conductor following the conventional four beat rhythm). Not that the average black 'cool dude' was particularly political but it was impossible to be unaware of the racism that surrounded him and so this became the centre of his identity.

The cool is to be emotionally detached but with a deep contempt and anger; it is to have a power and confidence generated by the suffering of yourself, your community and those who went before; it is to be always self-aware; it is to live by your own rules and it is, perhaps above all, to be terrified by naivety and weakness. It is what feminists would call 'a macho thing'. For all of us it is, of course, an impossible aspiration that cannot be defined. We may see it in ourselves and others occasionally but it is impossible to sustain in the face of a sick and corrupted world. It has, after all, been debased by marketing and advertising to a point where a religious icon can be considered cool! Religion and its myths and images are a lot of things but they are quite definitely not cool.

There was a time when the wearing of a cap with the Oakland Raiders legend on it would guarantee a conversation about American football or that when meeting someone with dreadlocks you could indulge in a long discussion about reggae music, but those days are over. These have all become mere fashion accessories which guarantee the wearer a level of 'coolness' that he or she has not earned. When Richard Dawkins used the reversed baseball cap as his first example

of a cultural 'meme' in his best seller *The Selfish Gene* we should have known that we were in for an uncool future.

WEZ

TRUMP'S ECONOMIST ADVISORS SEEING RED EVERYWHERE

The word ‘socialism’ is more attractive than scary these days—and that has the White House worried.

Two hundred years after the birth of Karl Marx, socialism is making a comeback in the United States.

That is not our optimistic claim, but rather the view expressed by the Trump White House in a report issued in October by its Council of Economic Advisors (CEA). The stated aim of the report, titled ‘The Opportunity Costs of Socialism,’ is to examine socialism, its ‘economic incentives,’ and its ‘impact around the world on economic performance.’

In the opening paragraph the authors note with concern that, ‘Detailed policy proposals from self-declared socialists are regaining support in Congress and among much of the younger electorate.’ It would seem a hopeful sign—to socialists at least—that the White House is worried about the growing attraction of socialism.

THE STATE OF SOCIALISM

But if socialism seems to be ‘making a comeback in American political discourse’ in the eyes of the authors, to the point where socialists are seen lurking in the halls of Congress, it is probably because their definition of ‘socialism’ is broad enough to include nearly every sort of capitalist reform.

The CEA report claims that, ‘Whether a country or industry is socialist is a question of the degree to which (a) the means of production, distribution, and exchange are owned or regulated by the state; and (b) the state uses its control to distribute the economic output without regard for final consumers’ willingness to pay or exchange’. In short, the greater the state’s intervention in production and distribution, the more ‘socialist’ is the country or industry. Indeed, ‘state’ and ‘socialist’ are nearly synonymous for Trump’s economic advisors.

It is important to also note the emphasis on the ‘question of degree’. The report claims that that ‘socialism is a continuum’, not a ‘zero-one designation’, since ‘no country has zero state ownership, zero regulation, and zero taxes’. The authors point out that under ‘modern models of capitalism’, including the United States, there is an ‘ample role for government’, since there are ‘public goods and goods with externalities that will be inefficiently supplied by the free market’. And, conversely, ‘even the most highly socialist countries have retained elements of private property’.

The report claims there are ‘highly’ or ‘extreme’ socialist countries, where the state intervenes in many areas and ‘moderate’ ones where its role is more limited. This clearly suggests that ‘socialism’ is not so much a separate form of society or a ‘mode of production’ in itself, as a set of economic policies employed *under capitalism*. And the success or failure of such policies will ultimately have to be judged on capitalist terms, such as whether they raise or lower productivity and profitability. The logic of capitalism, as a system of production for profit, is the unchanging base of society, whereas socialism is merely a means of directing the system toward certain outcomes.

Although the authors blur the line between capitalism and socialism, they are at least scrupulous enough to insert the following footnote on the meaning of ‘communism’:

‘For classical socialists, “communism” is a purely theoretical concept that has never yet been put into practice . . .

Communism is, in their view, a social arrangement where there is neither a state nor private property; the abolition of property is not sufficient for communism’. . . This report therefore avoids the term “communism”’.

The report recognises, in other words, that state-owned property or state-run enterprises have nothing to do with communism—a point that is not often clear in the mind of a typical Republican red-baiter. Of course, we are still stuck with a false distinction between ‘socialism’ and ‘communism’, but the blame for that confusion cannot be laid at the door of the CEA. It was rather Lenin who insisted that socialism was the first stage, to be followed by communism as the second. The Bolsheviks had to make that distinction to account for why money, wage labour, property relations, profit, and all the other capitalist economic forms continued to exist after the supposedly ‘socialist’ Russian Revolution.

We reject Lenin’s distinction, in favour of a view not so uncommon before 1917 that ‘socialism’ and ‘communism’ are basically synonymous, as both indicate a money-free world of production for use in which all the social wealth is held in common. It makes little sense, from a logical standpoint, to use the separate term ‘socialist’ to refer to societies that remain in essence capitalist. We prefer to use the term ‘state capitalism’ to refer to Stalin’s Russia, Mao’s China, and other countries described by the report as ‘highly socialist’.

One could hardly pin the blame for the confused understanding of ‘socialism’ on the authors of the report, however, since they are expressing a view that holds sway across the political spectrum. Where the authors are quite negligent, however, is in claiming that Karl Marx also understood socialism as a sort of state-run capitalism. One need only read his sketch of a post-capitalist society in the first chapter of *Capital* to know that he saw no need for a state existing over the heads of an association of free individuals producing to meet their own needs. Marx labels that new society a ‘free Association of men’—not socialism or communism—but the key point is not the word itself but the fundamental distinction between capitalism and what will replace it.

Marx has in mind a new mode of production, not a reformed version of capitalism. In contrast, the ‘Left’ shares the CEA’s view of ‘socialism’ as a set of policies under capitalism, so their criticism of the report tends to centre on defending the benefits of ‘socialist’ state intervention in the capitalist economy.

Incidentally, the CEA also makes a complete muddle of the theory of capitalist ‘exploitation’, offering the claim that Marx or Marxists view ‘state ownership of the means of production’ as a means for ‘ending worker exploitation by leveraging scale economies’. But to try to unravel all the confusion surrounding their vague but jargon-ridden claims, while presenting Marx’s actual view of exploitation, would require a whole separate article.

REDBAITING 2.0

What is the purpose of this report—and the reason for the authors’ apparent anxiety—if ‘socialism’ is just a set of policies that poses no real threat to capitalism itself? It seems to us that part of the answer is ideological and the other part simply concerns practical politics.

Clearly, the authors seem worried that the younger generation has become immune to the negative image of socialism that was fostered through decades of propaganda in the United States. The authors want to educate this younger generation about the dangers of embracing socialism. And the tone throughout the report is like that of a concerned parent trying to prevent a child from taking a wrong turn in life.

A sentence might begin with the concession that ‘present-day socialists do not want dictatorship or state brutality’ or that ‘proponents of socialism acknowledge that the experiences of the USSR and other highly socialist countries are not worth repeating’, only to end with the not-so-subtle implication that such negative results will occur despite socialists’ good intentions.

For example: ‘Historical socialists such as Lenin, Mao, and Castro ran their countries without democracy and civil liberties. Modern democratic socialists are different in these important ways. Nevertheless, even when socialist policies are peacefully implemented under the auspices of democracy, economics has a lot to say about their effects’.

SOCIALISM: EXTREME AND MODERATE

In seeking to tarnish the image of socialism, the first part of the report looks at the ‘dismal track record’ of the ‘most highly socialist cases’ such as Maoist China, Cuba, and the USSR. The report concentrates on the failed agricultural experiments related to ‘state and collective farming’. This historical example is intended to show the ‘misalignment between the promises of highly socialist regimes to eliminate the misery and exploitation of the poor and the actual effects of their policies’—with the suggestion that similar disappointments could occur today.

The authors point to history and recognise that the ‘highly socialist’ countries were mainly agricultural, but do not ponder the riddle of why agricultural—rather than industrial—countries would embrace socialism. It is a riddle not so hard to unravel once it is clear that ‘socialism’ was nothing more than state capitalism, and that the overriding aim of such systems initially was usually to rapidly industrialise, thereby laying the groundwork for modern capitalism.

Of course, the victims of that crude form of ‘primitive accumulation’ are many, starting with the peasantry, and there is no need to quibble with many of the terrifying statistics thrown out by the CEA report. The problem is that the authors do not pause to consider the significance of the historical facts they are listing. The history of the ‘highly socialist’ countries is in fact that of ‘backward capitalist countries’ trying to catch up rapidly. It is a history that has nothing to do with ‘socialism’—apart from the fact that the leaders of those countries used the term to conceal the harsh social reality.

The section on the extreme cases of socialism is followed by a look at the more ‘moderate’ socialism of the Nordic countries. In this case, the task is a bit more difficult for the authors because there are not many scare stories that can be pointed to and the image that many have of those countries is positive. So instead of listing up problems of socialism, the authors spend much of their time laying the successes at the doorstep of capitalism, arguing that Nordic countries have been turning away from socialist policies to allow more freedom for the market economy.

They claim, for instance, that the ‘Nordic countries themselves recognised the economic harm of high taxes in terms of creating and retaining businesses and motivating work effort’. At the same time, the report argues that the Nordic model of taxation ‘relies heavily . . . on imposing high rates on households in the middle of the income distribution’ rather than imposing punitive rates on high-income households. The aim of this part of the report is clearly to pour some cold water on the Bernie Sanders supporters who look to northern Europe as an economic model.

‘SOCIALISED MEDICINE’

The final section of the report turns squarely to a pressing

political issue: the debate over a ‘single-payer healthcare plan’. And here the timing of the report’s publication, just prior to the Mid-Term elections, was certainly no coincidence. Trump himself felt obliged to write a rare newspaper article around the same time for *USA Today*, in which he claimed that the ‘Medicare for all’ plan of the Democrats—those ‘radical socialists who want to model America’s economy after Venezuela’—would threaten the existing Medicare program for seniors.

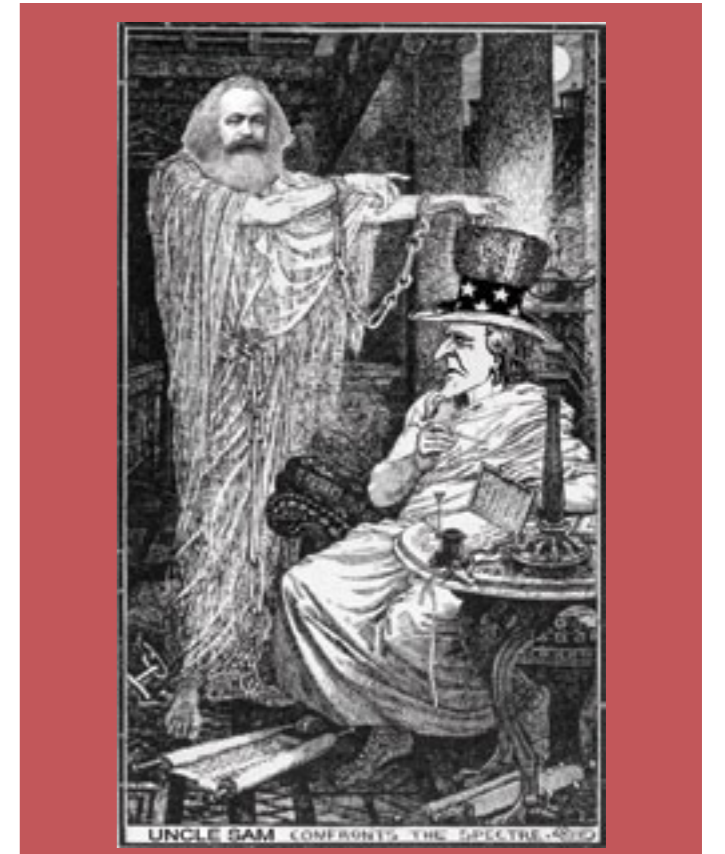
The logic of Trump’s article and the CEA report is a bit odd, since they attack what they call ‘socialised medicine’ by drawing on fears of older Americans that the existing Medicare program would be gutted. According to their own ‘market’ principles they should really be attacking Medicare, too. But here we are in the realm of practical politics, not pure economic theory.

Several articles responding to the CEA report have already noted that the authors point to the relatively short waiting times at hospitals for seniors in the United States as an argument against single-payer healthcare, even though those patients are covered by the single-payer Medicare plan.

The point to note here, as far as this article is concerned, however, is that it is a misuse of the term ‘socialist’ to attach it to the example of government-run healthcare. Whatever concern the state might have for the physical well-being of its citizens is connected to the needs of capital for a reasonably maintained workforce. The debate among the American capitalist class over healthcare, much like the 19th century debate over labour laws in England that Marx describes in *Capital*, centres on that issue of the ‘reproduction’ of labour power. And much like that earlier debate, today’s clash over single-payer healthcare is a complex and contradictory battle that involves conflicting interests among individual capitalists and differing views of what would benefit the capitalist class as a whole.

It would be naïve and dangerous for socialists to imagine that any of the parties involved are motivated by a genuine concern for the interests of workers.

MIKE SCHAUERTE

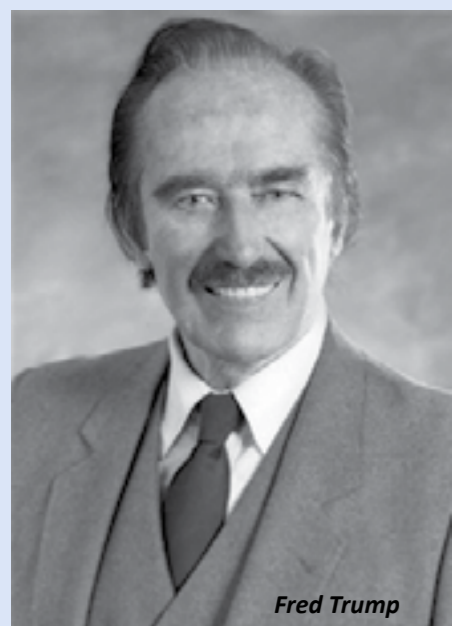


US politics has reached the stage where the plutocrats of either party have ceased to pretend to any real principled difference but are instead using allegations of criminality and corruption against each other. This is a sound tactic, since there is no clean way to the top of US politics: it takes money, and the smiling acceptance of the people with money to get to the top. The vast scale of any campaign means there will be reporting, recording and donating errors somewhere.

The *New York Times* (2 October) has joined in this game of mud flinging, with a deep investigation into Donald Trump's business and tax affairs. Journalists David Barstow, Susanne Craig and Russ Buettner have dug through thousands of public documents relating to Donald Trump's father's business empire, to see how they relate to the President's current wealth.

Donald Trump has come to power as a representative of the naked rule of wealth: he has filled his cabinet and other appointees with the wealthy and the sons and daughters of the privately wealthy. He does so without the usual hypocrisy of appointing those who have served their time in lucrative public service.

Much of the *New York Times's* revelations were hardly surprising. It was widely known that Donald Trump's father, Fred, was a wealthy landowner who possessed many rented properties in New York. It was widely known that his father was a shrewd and ruthless business operator. The reporters note that Fred Trump managed to receive large amounts of Federal loans as part of New Deal home building schemes. The article suggests he received as much as \$26 million of cheap loans from the government. He also knew how to work the Democrat Party machine that controls much of politics in New York state and city, and backed up his business empire with a team of legal and financial professionals to protect his interests.



Fred Trump

What the report showed, though, in detail, was just what a typical capitalist Donald Trump really is.

Inherited

Much of the report concentrated on debunking Trump's claim that he started his business with a \$1 million loan from his father, that he repaid (with interest). It is interesting to see that people could take this with any sort of face value

of making him a 'self-made' billionaire.

\$1 million in the 1970s was a very considerable sum (and for most people still is). What the *New York Times* revealed was that Fred Trump actually syphoned millions of dollars into his son's businesses, including refloating them when they ran into financial difficulty.

One incident the reporters relay involves Trump Snr. sending a flunky to one of his son's casinos to buy \$3.5 million of gambling chips, and then placing no bets.

Fred Trump actually started his financial management early, apparently appointing Donald a director of one of his firms when he was still a toddler, accruing a salary worth hundreds of thousands of dollars. This continued throughout Fred's life, as Donald, and the other Trump children, were appointed directors of firms which then received transfers from other parts of the Trump empire. The usual approach was to transfer properties with a low estimate value, before selling them off at a huge market value many times greater. The *New York Times* identified 295 such income streams. They estimated a total transfer of \$413 million (in current prices) from father to son, much of it bypassing gift and inheritance tax rules.

A particularly naked scheme saw the establishment of a shell firm, called 'All County Building and Supply Maintenance' through which Fred Trump channelled the procurement for his managed apartment. The shell company inflated the prices of the goods bought, effectively allowing Fred Trump to channel money to his children (the nominal owners of the firm) in the form of corporate profits. A side benefit was that under New York's rent regulations, this could be passed off as a legitimate cost of business increase, which allowed Fred Trump to raise his rents.

These were just the tangible benefits. Fred Trump had friendly bankers, and a reputation which could only mean that doors would open for his son that would be closed to almost anyone else. Donald Trump's business was underwritten by his father, so people could lend and invest in his ventures with an understanding they would be very unlikely to lose their shirts. In the end, it was all backed up by the tangible assets of owning



this primary accumulation, since it belies their ideological claim that their wealth stems from their hard work, business acumen or risk-taking. In Donald Trump's case, this primary accumulation is both his inheritance and his father's capacity for raking in Federal subsidies.

This also shows that far from the fearless capitalist making his money away from, or despite, the activity of the state, in fact the process of creating capital is intimately tied up with state power and control. The Trump Empire depended on being able to get favourable consent from the city authorities. The army of lawyers were needed to use state mechanisms to enforce and protect the interests of the firm. Any regulation, such as rent controls, just became another lever to be manipulated in the single minded pursuit of gain for the family. Donald Trump's presence in the White House is just a continuation of the practice to the world stage.

Any very wealthy person will engage in tax management and structure their inheritance effectively. What the *New York Times's* investigation into the Trump empire shows, much like the Panama papers, is how trying to regulate the financial affairs of the wealthy is like trying to strangle porridge. The wealth of capitalists does not rest in mere things, but in the claim to things, and the power to exercise that claim. Such claims are entirely

large chunks of land in central New York.

Typical

In this sense, then, Donald Trump is a very typical capitalist. He begins with a stockpile of accumulated wealth, his primary accumulation, which is usually received through inheritance, windfall, or through expropriation. The capitalists tend to be shy about

ethereal, existing only in the material practices of the lawyers and law enforcers who respond to them.

Donald Trump's team have responded to the report by pointing out that all their activities were carried out under the advice of reputable tax managers and lawyers, and were all within the regulations at the time. They do not maintain that those practices were right, or good or noble, only that they were legal. As ever, it is one law for the poor, and as many laws for the rich as they want to buy.

Barstow, Craig and Buettner estimate that had Donald Trump simply invested the money he made from his father, he would have nearly £2 billion in wealth. It's clear that Donald Trump is not a self-made man, his wealth comes to him not because he is 'a very stable genius', but because he has a powerful claim on other people's work. As a bog standard capitalist, it is plain that he is not necessary to producing or adding to the wealth of the world. Though perhaps, by forcing his opponents to reveal this truth about capital, he may have done one worthwhile thing with his life.

PIK SMEET



Trump Golf Club Coat of Arms



Trump's Grandparents, German Immigrants, pictured in 1915



THE PROBLEM IS NOT THE BANKS...IT'S CAPITALISM

In April 2017 the German central bank, the Bundesbank, published a paper on 'The role of banks, non-banks and the central in the money creation process' (www.bundesbank.de/Redaktion/EN/Downloads/Publications/Monthly_Report/2017/2017_04_monthly_report.html). Accepting the current prevailing definition of money as including bank loans, it was mainly about bank lending and what determined its level. Some have read into it more than may have been intended.

At one point, the article stated:

'... a bank can grant loans without any prior inflows of customer deposits. In fact, book money is created as a result of an accounting entry when a bank grants a loan. It posts the associated credit entry for the customer as a sight deposit by the latter and therefore as a liability on the liability side of its own balance sheet. This refutes a popular misconception that banks act simply as intermediaries at the time of lending – ie that banks can only grant loans using funds placed with them previously as deposits by other customers.' ('book money' and 'sight deposits' are translations of German terms corresponding to 'bank credit' and 'current account' in English.)

This passage was seized on by adepts of the thin-air school of banking to support their contention that banks mysteriously create out of nothing the money they lend. But this is not what the passage or the rest of the article says. Just because banks may not get all the money they lend directly from deposits does not mean that they therefore simply conjure it up out of thin air.

The passage was in fact very carefully worded. First, it brings out, with the use of the terms 'book money' and 'accounting entry,' that what is being described is an accounting practice followed by banks when a decision to grant a loan has been made. Double-entry bookkeeping requires that a loan, like a deposit, be entered both as an 'asset' and as a 'liability'.

Second, its description of the 'popular misconception' is qualified by the words 'at the time of lending,' leaving open the possibility that the loan may have to be funded at some point from deposits. These words were clearly deliberately inserted because this is precisely what the article does go on to explain.

Whatever the way in which the accounts are presented, the money has to exist since, as soon as the borrower spends the money that the bank has put into their bank account, it has to be found. So where does it come from? According to the article, it comes in the first instance from the bank's 'reserves' at the central bank. The article uses the example of where the borrower uses the loan to buy a machine and where the seller puts the money paid for it into an account at a different bank. The first bank therefore owes the second bank money, which is settled by a transfer of some of its reserves at the central bank to the reserves held there by the other bank.

But what are these reserves? Where do they come from? Far from being conjured up out of thin air, they will have come either from the bank's capital or from depositors. In either case, previously existing money.

But that's not the end of the story.

In a section entitled 'Constraints on the creation of money and credit by individual banks,' the article lists three: 'interaction with non-banks' (i.e., other businesses and households), banking regulations, 'and, not least, by banks' own inherent interest in profit maximisation'.

Banks are profit-seeking financial intermediaries that borrow money at one rate of interest (either 'retail' from individuals or 'wholesale' from the money market) and relend the money to borrowers at a higher rate. The spread between the two rates is the source of a bank's income; after it has paid its operating costs, including staff wages, what remains is the bank's profits.

Banks' 'inherent interest in profit maximisation' affects how what the article describes as 'the need for banks to find the loans they create' is met. It means that they are going to seek to obtain the needed funding as cheaply as possible, i.e., at the lowest possible rate of interest:

'Deposits play a major role in this regard, for while banks have the ability to create money – that is, to accumulate a stock of assets by originating liabilities themselves in the form of sight deposits – they need funding in the form of reserves.'

They need this because, when a bank makes a loan and the borrower spends it, the money will leave the bank and most if not all of it will normally be deposited by those the borrower bought things from in some other bank. Although the immediate way to replace this – fund the loan – will be to use reserves the bank already has or can procure 'at any time via the interbank market or the central bank', this is not the cheapest way:

'Using short term interbank liabilities as a source of funding gives rise to liquidity and interest rate risk because of the danger that the bank might, at some point in the future, no longer be in a position to prolong the short-term interbank loan or that it can only do so at a higher cost. As for interest rate risk, the risk of interest rates increasing for central bank and interbank could drive up funding costs, thus eroding, or wiping out altogether, the income derived from lending.'

Which is precisely what happened to Northern Rock and HBOS during the financial crash of 2008.

To avoid this, banks seek longer-term loans, in particular from depositors (deposits into a bank are in effect, and in law, a loan to the bank). Here they face competition from other banks. Fixing what rate to pay those they want to borrow

from is a delicate balancing act. If it's too low it will put off depositors who will then go instead to one of the bank's competitors; if it is too high this will cut into their income and so their profits.

Although we can have misgivings about describing a bank's decision to authorise a loan, and the accompanying accounting practice, as 'creating' money rather than simply 'making a loan', the Bundesbank article shows that even the banking authorities themselves acknowledge that banks are financial intermediaries which borrow money at one rate of interest and re-lend it at a higher rate; that banks cannot really 'create credit' whatever the bookkeeping practice might suggest.

What banks deal in – and lend – is a financial representation of wealth, not wealth itself which can only be produced by humans working on materials that originally came from nature, fashioning and refashioning them into something useful.

There is nothing especially bad about banks compared with other profit-seeking capitalist enterprises. They are merely in a different line of business. Banks are not the cause of the problems that the majority class of wage and salary workers face. It is capitalism and its production for profit. So the solution is not to reform banks but to abolish capitalism

ADAM BUICK



Deutsche Bundesbank





Recently, the electronic journal *Anti-Capital* published a stinging review (issue 13) of our publication *Centenary of the Revolution* (2017), a collection of articles from the *Socialist Standard*, dealing mainly with the so-called Bolshevik Revolution and its aftermath. We are accustomed to having our views caricatured but this particular review seems to have plumbed new depths of misrepresentation.

Amongst the numerous inaccuracies littering the review one in particular stands out:

‘A common theme throughout the SPGB’s writings is an explicit rejection of the class struggle as the motor force of human society (historical materialism) and a rejection of the class struggle as the material basis for the revolutionary movement of the working-class (socialism)’.

Anyone familiar with the Socialist Party would instantly know this is simply untrue. You only have to look at our Declaration of Principles in which the notion of class struggle, far from being ‘explicitly rejected’, is explicitly acknowledged.

What seems to have riled these Leninists is the Socialist Party’s repudiation of the claim that what happened in 1917 was a socialist revolution. We share Marx’s view that the emancipation of the working class must be done by the working class itself, not some Leninist vanguard. For that to happen, workers *en masse* – not just in one country but across the world – need to want and understand what this basically entails. In other words, there needs to be a conscious socialist majority.

That there was no such majority, or even a significant minority, in Russia (or elsewhere) in 1917 is indisputable. Lenin himself noted that ‘the majority of the population in Russia are peasants, small farmers who can have no idea of socialism’ (speech at Seventh All-Russia Conference of the Party) and that the ‘proletariat and semi proletariat’, had ‘never been socialist, nor has it the slightest idea about socialism, it is only just awakening to political life’. In another speech, he frankly admitted ‘We know how small the section of advanced and politically conscious workers in Russia is’

(Second All-Russia Congress of Commissars for Labour, 1918)

This was precisely Lenin’s justification for his vanguard party, supposedly drawn from this small and politically advanced section of the working class, to take matters into its hands; the great majority of workers and peasants, in his estimation, were not yet imbued with a socialist consciousness so the vanguard had to take power and act on their behalf.

Yet, oddly enough, the Leninist reviewer in *Anti-Capital* rebukes us for saying much the same thing as Lenin in this case – namely, that there was no mass support for socialism – and goes on to assert: ‘In place of the living dynamics of the real-existing class struggle as it actually exists and the course it actually takes at the heart of Marxist materialism, the SPGB substitutes metaphysics.’

But how is it ‘metaphysics’ to question whether the majority of the Russian population in 1917 were mentally prepared for socialism? If anything seems ‘metaphysical’, it is the belief that you can somehow conjure a stateless non-market socialist society into existence without a majority wanting and understanding what that means beforehand. On the other hand, if you agree that a socialist majority is first needed in order to implement socialism how can you then go on to describe a revolution as ‘socialist’ when demonstrably – as in 1917 - such a majority was conspicuous by its absence?

The plain fact is, given the paucity of socialists at the time, the Bolsheviks, with the best will in the world, had only one course of action open to them, given their determination to seize power – namely, to embrace some form of capitalism. Furthermore, there is only one way in which capitalism can be administered – that is, in the interests of capital and against the interests of workers. That is why the 1917 uprising was nothing like the idealistic picture that *Anti-Capital* paints.

This is the conclusion any ‘Marxist materialist’ would draw yet, according to the *Anti-Capital* reviewer, it is precisely ‘Marxist materialism’ that the Socialist Party has renounced. We are accused of ‘crass economic determinism’ for erasing from history the ‘millions of organized workers who were fighting under the red flag for socialism’. How we can be charged with the crime of ‘economic determinism’ while attaching such importance to the subjective preconditions for socialism, is not explained.

Class struggle

The reviewer shows a complete lack of understanding of the relationship between the goal of socialism and the process of class struggle itself – the suggestion that propagating the former somehow ‘substitutes’ for the latter. On the contrary, the former arises out of the latter just as Marx’s ‘class-for-itself’ arises out of his ‘class-in-itself’. Socialist consciousness separates the one from the other. Far from being divorced from the class struggle, putting forward the case for socialism is, in fact, the most politically efficacious way of prosecuting that struggle from the workers’ standpoint. What could possibly be more revolutionary than advancing an objective that directly challenges, and calls into question, the rule of capital itself?

Moreover, the whole point of the class struggle is surely to end it, not indefinitely prolong it out of some misguided masochistic desire to be endlessly exploited by our capitalist employers. You can only end it by eliminating class ownership of the means of producing wealth and establishing socialism and for that, as stated, you first need a conscious socialist majority. There is nothing noble or edifying about the idea of class struggle for its own sake. We demand the right to live as human beings, not mere ‘hands’.

How little the *Anti-Capital* reviewer understands our perspective is also borne out by the comments about our supposed views on industrial struggles. According to the

reviewer this is further evidence that we reject the class struggle:

‘There are a series of bizarre contradictions arising from this rejection of the class struggle. At the same time that they claim that struggles for higher wages, shorter hours and improved working conditions are inevitable and necessary under capitalism, they also claim that the workers’ party has no role in these struggles.’

This is a complete muddle. If anything, the contradiction lies with the reviewer in admitting that the Socialist Party says such struggles are ‘inevitable and necessary’ under capitalism and then bizarrely claiming that it rejects the class struggle. The fact that we do not think it is appropriate to directly engage, as a political party, in the industrial conflicts that workers are embroiled in, in no way means it repudiates class struggle itself. That is a completely unwarranted inference to draw which, moreover, is entirely at odds with our own stated position of principled support for industrial militancy along sound lines.

It is simply that, unlike opportunist Leninist sects that have a habit of wanting to cynically exploit industrial disputes in order to recruit more members, the Socialist Party recognises that workers engaged in such disputes come from many different political backgrounds. Consequently, to sow political divisions among workers (which is precisely what direct party political intervention would do), rather than concentrate on the immediate issue at hand would, ironically, weaken the collective strength and unity of the trade union itself. As individuals, however, many members of the Socialist Party are active trade unionists and there is no contradiction whatsoever between this and their espousal of revolutionary socialism.

Revolution

However, it is the question of what constitutes a ‘revolution’ that perhaps most sharply separates us from the Leninists. For us, and fully in line with Marxian usage, what this term denotes is, simply, a fundamental change in the socio-economic basis of society.

It is not about how you achieve that change – the methods you use. For the instance, the use of violent force does not necessarily signify a revolution if all it results in is the overthrow of one particular ruling class and its replacement by another. If nothing has really changed substantively in terms of the basic social relationships that define a given society then you have not really had a revolution; merely a pseudo-revolution.

Nor does a revolution have to do with the class character of its agents or participants. No capitalist revolution was ever effected solely, or even mainly, by members of the capitalist class. Invariably, the capitalists called upon the assistance of the far more numerous subordinate classes – like the proletariat or the peasantry – in their bid to overthrow the then existing pre-capitalist social order.

This is true even when the overwhelming majority of the participants in a ‘revolution’ were workers – as in Russia, 1917 – when traditional bourgeoisie were dispossessed only for the Bolshevik regime to step into their shoes, functionally speaking. Indeed, in almost uncanny anticipation of the outcome of that particular event, Marx once noted how the mass mobilisation of workers in a struggle against the bourgeoisie can, in the end, serve only to entrench the rule of capital:

‘If the proletariat destroys the political rule of the bourgeoisie, that will only be a temporary victory, only an element in the service of the bourgeois revolution itself, as in 1794, so long as in the course of history, in its movement,

the material conditions are not yet created which make necessary the abolition of the bourgeois mode of production and thus the definitive overthrow of bourgeois political rule’ (*Moralising Criticism and Critical Morality*, 1847).

So it is not the methods or the class character of the participants, involved in a revolution that determines its nature but, rather, its outcome – whether it results in a fundamental change in the organisational structure of society. There are basically two ways you can talk about a ‘revolution’. You can call it an ‘event’ – like the political act of replacing capitalism with socialism – or you can call it a ‘process’ (providing such a process is consciously aligned, or congruent, with the desired outcome of establishing socialism). In this latter sense, we can say ‘the revolution’ has already begun and will (hopefully) gather momentum in the form of an expanding movement for socialism, leading up eventually to the revolutionary ‘event’ of capturing political power.

According to *Anti-Capital*, however, we allegedly maintain that ‘Marx never saw fit to promulgate the seizure of power by the organized working-class in their conception’ – meaning a revolution in the sense of an ‘event’. This is simply untrue. Of course we are fully aware that Marx advocated the capture of political power. Moreover, this is something we advocate ourselves and, again, this is enshrined in our Declaration of Principles. We insist, however, that this political act must be carried out democratically by an organised working class that is genuinely socialist in outlook. Otherwise it cannot possibly amount to a socialist revolution. It cannot possibly usher in socialism.

Again, according to *Anti-Capital*:

‘For the SPGB, every revolution is a coup d’etat. February 1917 was a capitalist coup d’etat (Ibid, ‘The Russian Situation’, June 1917, p. 23), October 1917 was a Bolshevik coup d’etat (Ibid, p.31); 1905 was a “*capitalist movement*” (Ibid, ‘The Revolution in Russia: Where it Fails’, August 1918, p. 37).’

This too is misleading. We do not say ‘every revolution is a coup d’etat’. There have been revolutions in the past fully deserving of the term ‘revolution’. These brought about a fundamental change in the socio-economic basis of society – such as from feudalism to capitalism. However, capitalism is now thoroughly global. Consequently, the only legitimate use of the term ‘revolution’ today (at least in Marxian terminology) must entail a social transformation that culminates in genuine socialism. Anything short of that would not truly constitute a ‘revolution’ in our view.

This is why the Socialist Party was, technically, perfectly correct in describing the 1917 Bolshevik ‘revolution’ as a merely a *coup d’etat*. Capitalist relations of production based on generalised wage labour were not introduced under the Bolsheviks but merely consolidated and extended under their rule in the guise of state capitalism. At best, you could describe 1917 as a culminating moment in a protracted process of capitalist revolution that had begun earlier.

After all, even under the Tsar, capitalist industry was making headway in the towns and some of the factory complexes, like the giant Putilov works, were amongst the largest and most modern in the world. Moreover, at the time, Russia was the most heavily indebted country in the world with capital pouring in from countries, like France and Britain, to finance industrial development. The Bolsheviks’ decision to renege on these foreign debts was one reason for the subsequent invasion of Russia by various foreign powers in alliance with the white armies during the turbulent civil war that followed.

In any event, there can be no justification whatsoever from a Marxian standpoint for describing the events of 1917 as a ‘socialist’ revolution. As we have seen, genuine socialism was simply not on the political agenda. What initially attracted the

Russian workers – and the far more numerous peasants – to the Bolsheviks was the promise of sweeping capitalist reform, not socialist revolution. Indeed, under the influence of the Bolsheviks the very term ‘socialism’ itself came increasingly to mean something quite different to the original Marxian concept. Instead of signifying a stateless non-market system of society it came to be redefined by Lenin as a form of ‘state capitalist monopoly’.

The Bolsheviks, for their part, opportunistically and cynically exploited the civil unrest at the time to catapult themselves into power but we should not romanticise the unrest itself as something other than it was. It was driven by such desperate concerns as securing waged employment in a context of widespread factory closures and financial collapse. It was certainly not the opening salvo of a socialist revolution, determined to fashion a completely new kind of society on the ruins of capitalism. That is just naïve fantasy, a retrospective construction put on events by ideologues in love with flowery rhetoric. The rest, as they say, is history. The Bolshevik regime, having first curried favour with the workers, viciously turned upon them, imposing upon them its brutal dictatorship of the vanguard over the proletariat. The roll call of anti-working class measures implemented by the regime is long and impressive: the crushing of the factory committees, the subordination of the trade unions to the state, the imposition of top-down ‘one-man’ management in the factories, the ruthless suppression of the Kronstadt rebellion on fabricated charges, the introduction of the notorious ‘militarisation of labour’ programme under Trotsky and the systematic elimination of all political opponents both inside and outside the Party.

Pathetic

It is, frankly, quite pathetic in this day and age, especially given the benefit of hindsight, that there are still some people around, like those involved in the *Anti-Capital* project, so deluded as to feel it incumbent upon themselves to glorify and defend the Bolshevik coup as ‘a necessary obligation for all who work toward the emancipation of labor from capital’. All the available evidence suggests the very opposite was the case. It resulted in the ruthless subordination of labour to the goal of capital accumulation – a classic feature of capitalism. Indeed, according to some estimates, the rate of capital accumulation out of surplus value in the early Soviet Union, with its concomitant suppression of working class consumption, was among the very highest in the world at the time (Peter Binns, ‘State Capitalism’, *Marxism and the Modern World*, 1986).

The development of soviet state capitalism prepared the ground for the emergence of the corrupt corporate capitalism of Putin’s Russia today. Indeed, many of the obscenely rich oligarchs of modern Russia were themselves once high-ranking members of the Soviet ruling class. All they wanted in their ‘revolution from above’ that overthrew the old Soviet system was to modernise the conditions of capitalist exploitation to make it more ‘efficient’ and beneficial to themselves.

If we could turn the clock back to 1917, as our Leninist conservatives, wallowing in their misplaced nostalgia, would have us do, the eventual outcome would still be little different to what it unfortunately happens to be today.

ROBIN COX



Message from Gotha

To prepare his article in the *FT Weekend Magazine* (20/21 October) on the German Social Democratic Party, Tobias Buck visited the one-time tavern in the town of Gotha where in May 1875 two working-class organisations united to form the Socialist Workers Party of Germany, which later became the SPD. He looked at the programme adopted at the meeting that was on display there, and commented:

‘In economic terms, it is unashamedly socialist, urging the end of wage labour and “the transfer of all productive goods to the commonweal of society.” In political terms, however, it reads like a blueprint for the modern, progressive welfare state that Germany is today.’

This is a shrewd observation as it brings out the division of the programme into what was later called the ‘maximum programme’ (common ownership of the means of production, abolition of the wages system) and the ‘minimum programme’ (social and political reforms to be achieved under capitalism). This division was inherited by all Social Democratic parties modelled on the SPD. It was to be their undoing as it attracted support for

the minimum programme rather than for socialism and made them in effect democratic social reform parties.

Marx wasn’t happy with the programme and wrote a paragraph by paragraph criticism of it. These were private notes and were not made public till 1891 as the *Critique of the Gotha Programme*. Some of his criticisms, though correct, seem a little petty. For instance, he takes the text to task for saying that ‘labour is the source of all wealth’ (whereas ‘nature ... is just as much the source as labour’) and for saying that in present-day society ‘the instruments of labour are the monopoly of the capitalist class’ (whereas they are the monopoly of ‘the landowners ... and the capitalists’).

Other criticisms were more substantial such as his objections to a ‘free state’ as an aim and to the demand for each individual worker to receive the ‘undiminished’ product of their labour.

With regard to the ‘free state’, he explained that the existing state had its roots in capitalist society and could not be made ‘free’ but would die off when capitalism was ended, and said that the question that should have been asked in regard to ‘communist society’ was ‘what social functions will remain in existence there that are analogous to present state functions?’

In his criticism of the demand for the ‘undiminished proceeds of labour’,

he pointed out that even ‘within the co-operative society based on common ownership of the means of production’ there would have to be provision for those too young, too old or unable to work and that this meant that the actual producers could not receive the full product of their labour.

In these answers he also dealt with the more complicated subjects of the ‘revolutionary dictatorship of the proletariat’ and labour-time vouchers, both of which have been misunderstood by supporters and opponents alike.

He did not criticise the division of the programme in maximum and minimum sections (in fact he proposed some clarifications to the latter). The main demand of the new party was ‘the establishment of producers co-operative societies with state aid under the democratic control of the toiling people’. Marx’s criticism of this proposal (still in circulation today) was that ‘the workers desire to establish conditions for co-operative production on a social scale’ had ‘nothing in common with the foundation of co-operative societies with state aid.’

One point to note is that while the programme referred to ‘socialist society’ Marx referred to ‘communist society’, further evidence that for him the two terms were interchangeable.

PROPER GANDER

Pulling The Trigger

DERREN BROWN’S television shows are both fascinating and disturbing to watch, as they highlight something we usually prefer not to think about – how open we can be to manipulation. The ‘psychological illusionist’’s stunts often involve making people ‘choose’ to do exactly what he’s conditioned them to.

In Brown’s latest experiment – *Sacrifice* (Netflix) – his aim is to manipulate his subject into willingly taking a bullet for a complete stranger. He makes this even more of a challenge for himself by choosing someone who is openly against immigration to sacrifice themselves for someone in the country illegally. Not that Phil, his subject / guinea pig / victim, knows this is going to happen. Instead, Phil is told that he’s taking part in a documentary about a new microchip which he agrees to have inserted in the back of his neck. He believes this will make him more confident and decisive, but in reality there’s no microchip and it’s Phil’s conviction, along with Brown’s conditioning which create this attitude. Phil comes to associate a

trigger sound and a tap on the head with being fearless and even not feeling pain, demonstrated when a needle is pushed through his hand. Brown also needs to make Phil develop more empathy, especially with people from other backgrounds. Fortunately, his methods here are more honest and benign. To change how Phil sees himself as all-American, a DNA test is arranged which reveals that his heritage stretches back to Scandinavia, Russia, the Middle East and, significantly, Mexico. Even more powerful is a simple exercise where he and a stranger maintain eye contact for four minutes, which ends with tears and a hug.

Phil is told that the therapy and the filming are over, and several weeks later Brown tests whether his real plan has worked. In the middle of the Californian desert, he sets up a fake bar, rigged with hidden cameras and actors playing its staff and customers. It’s engineered that Phil is driven out there and gets befriended by a group of what he thinks are racist bikers. He joins them as they drive off in pursuit of some Mexicans also in on the stunt. The Mexicans are caught, are made to admit

they’re in the country illegally and the bikers get ready to shoot them. Waiting in the van, Phil hears the trigger sound played through the radio. He decides to intervene, and indeed stands in front of the Mexicans when the biker fires his gun. Brown rushes out and tells him it’s all been staged. Phil’s relief that he hasn’t really been shot dead presumably overrides any understandable urge to punch Brown’s lights out for what he’s done.

The formula of conditioning someone and then surreptitiously testing its effectiveness was also used in Brown’s 2006 show *The Heist*. Under the guise of a motivational seminar, Brown implanted the urge to rob a security van in a bunch of middle managers without them knowing. He instilled in them a ‘just do it’ attitude, associated with the colour green, a song by the Jacksons and the action of rubbing their leg. The seminar was deliberately peppered with words to subconsciously promote taking money, and each of the attendees was given a toy gun to symbolise their new-found gung-ho outlook. Without the attendees realising,



he then tested which were most receptive to authority, and therefore would be more likely to accept his manipulation of them. After challenging them to steal some sweets from a shop, he moved on to re-enact the notorious Milgram experiment, carried out at Yale University in the 1960s. In this, volunteers are asked to administer electric shocks to someone as a punishment for getting answers to questions wrong, unaware that the shocks aren’t real. Over half of Brown’s middle-managers gave what they thought were lethal doses, just because someone wearing a white coat told them to, a result similar to that of the original Milgram

experiments.

As with *Sacrifice*, the actual point of the exercise took place next, when the participants thought they were no longer being filmed. The four who were most suggestible were each invited to a meeting and asked to bring their toy guns with them. Concealed cameras filmed them in turn walking to their appointment in London, past a green poster of a leg captioned ‘do it’, as a car drives along blaring out the Jacksons song. So when the subjects see a (fake) security van parked ahead of them, they’re unknowingly primed to act on all the cues they’ve learned. Three of the four instinctively pull out their gun and hold up the (actor) security guard, running off with the money until Brown stops them.

Brown’s stunts make it look easy to manipulate unwitting people to commit acts as extreme as armed robbery, self-sacrifice and, in 2016’s *Pushed To The Edge*, shoving someone else off a height to their apparent death. The set-ups may be elaborate, but his techniques – placebos, triggers, conditioning – are unsettlingly straightforward. He doesn’t say that everyone can be so easily moulded, though, as he selects people who are most suggestible and receptive to authority. So is Brown warning us about the dangers of allowing ourselves to be led? He says that his latest show has ‘an ultimately humanitarian message ... about stepping out of the [political or social] narratives we live by’ (*NME*, 15 October), such as Phil’s nationalism. Brown rightly points out that these narratives can be limiting and divisive, and that we can become kinder to others by changing our

outlook. Showing a die-hard xenophobe apparently giving his life for someone they would otherwise hate is a drastic way of demonstrating this, and manipulating them into it is a strange and contradictory way to make the point. This seemingly hasn’t bothered those who have taken part in Brown’s stunts, who he says have found the experience ‘the most positive and transformative thing they’ve done.’ If, like them, we excuse how Brown’s techniques are deceptive and even cruel, he teaches us some interesting lessons about how our thoughts, values and actions can be shaped.

MIKE FOSTER

Not anti-Marx



Radical Political Economy. Sraffa versus Marx. By Robin Hahnel. Routledge, 2007. 110 pages.

Piero Sraffa (1898-1983) was an Italian economist at Cambridge University, best known for his attempt to revive the approach of Classical Political Economy, as represented by Adam Smith and in particular David Ricardo, whose concepts Marx also employed in his criticism of them for assuming that capitalism was the natural way of organising the production and distribution of wealth rather than just a passing historical phase.

Sraffa's main work, *The Production of Commodities by Means of Commodities*, was published in 1960. The title itself was already a revival of Classical Political Economy as he was using the word 'commodity', also inherited by Marx, to mean an item of wealth produced for sale; and capitalism is precisely an economic system in which commodities are produced by means of other commodities. What Sraffa was aiming to do was to settle some questions, left unresolved by Ricardo and Marx, about how to square a labour theory of value with an economic system where there were profits and which therefore meant that commodities did not exchange at their labour-time values, i.e., the amount of labour required to produce them from start to finish.

Critics of Marxian economics interpreted Sraffa's book as showing that there was no need for any labour theory of value to explain how the (capitalist) economy worked and began to use it as a stick to beat Marx. Hahnel (one of the co-architects of the Parecon scheme) is in this tradition. But to see Sraffa as a critic of any labour theory of value is absurd – how could someone dubbed a 'neo-

Ricardian' reject this when a labour theory of value was central to Ricardo's economic analysis?

Sraffa's book is based on assuming that commodities 'contain' labour and how the amount of this could in principle be calculated when there are profits. He explicitly states that the labour theory of value as a theory of selling price (exchange-value) is only valid when there are no profits, when the whole product of labour goes to the producer. This was Marx's view too in an economic system he called 'simple commodity production' where all commodities were imagined to be produced by independent self-employed producers. Marx was well aware that, under capitalism, commodities did not sell at their labour-time values but at what he called their 'price of production' (a term Sraffa also used) as their cost of production + a mark-up for the going rate of profit. Sraffa goes into this in more detail than Marx was able to in his unfinished notes.

In any event, to counterpose Sraffa to Marx, as in the title of this book, is not justified. There is no evidence that Sraffa was hostile to Marx. Just the opposite in fact, as can be seen from Appendix D on 'References in the Literature', Sraffa had as much respect for Marx's as he had for Ricardo's earlier work on his subject.

Hahnel gets Marx wrong on a number of points. He commits Marx to a biological/calorie subsistence theory of wages whereas Marx recognised that there was a varying historical and social element in wages (as set out in chapter 22 of Volume I of *Capital* on 'National Differences in Wages'). Using such terms as 'total breakdown' and 'inevitable collapse' he attributes to Marx the view that capitalism will eventually mechanically break down. He accuses Marx of not identifying a flaw in capitalism that sometimes capitalists do not adopt the most efficient production methods if wages are low, whereas Marx makes this very point, regarding a stone-breaking machine invented and used in the US but not used in Britain (at the end of section 2 of Chapter 15).

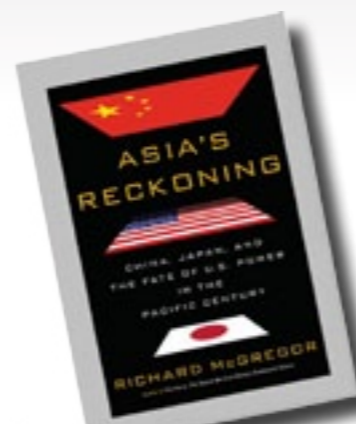
Clearly Hahnel doesn't know his Marx. He also contradicts himself when he insists that profit does not derive only from the labour-power capitalists hire while at the same time explaining 'profits as the result of denying workers in a productive economy all the surplus goods they produce'.

This said, his book is well-presented and, despite the algebra, very readable. The final chapter in which the capitalists are put on trial accused of being parasites on the producers and their various lines

of defence (abstinence, waiting, risk, etc) refuted, ending in them being found guilty as charged, is amusing and to the point.

ALB

Non-Final Reckoning



Richard McGregor: **Asia's Reckoning: the Struggle for Global Dominance.** Penguin. £9.99.

The United States and China are currently involved in a trade war, each placing tariffs on imports from the other as the US fights China's economic rise. But a quarter of a century ago, something similar was taking place between the US and Japan, as the latter emerged as a new economic power. Japanese companies out-competed the US in high-end products such as electronics, but when the dispute turned to semiconductors (needed in US missiles) things changed: Japan agreed to give US companies a twenty percent share of the Japanese market, while the US put 100 percent tariffs on some Japanese semiconductor imports.

Disputes such as these are chronicled in considerable detail in Richard McGregor's book, which examines the economic, political and military events and policies pursued before and during the period when China has come to surpass Japan as the main rival to the US.

One area given plenty of attention is the uninhabited island chain known as the Diaoyu in Chinese but the Senkaku in Japanese, which has an area of just seven square kilometres and was used by the US military for target practice after the Second World War. What attracts the attention of China, Japan and other countries is not the islands themselves but the resources in the seas

around them, specifically fish stocks, oil and gas. So they are, or could become, extremely valuable, especially as Japan has to import almost all its energy needs and China imports a lot from Russia. As a specific example of China flexing its muscles, in 2009, their ambassador to Britain successfully warned BP off working with Vietnam on a project in waters also claimed by China. Considerable resources have been put into developing the Chinese navy, so that areas far from China can be 'defended'.

In 2010 the Chinese economy became larger than Japan's and so second only to the US. This was mainly due to the staggering growth in China, but also to the relative stagnation and decline in Japan. Despite the attention and resources devoted to the Middle East, Japan currently remains 'America's most important defense alliance'. In addition to the tariffs imposed on Chinese goods, however, Trump has complained about the vast numbers of Japanese cars and TVs imported into the US, and wondered why the US was committed to protecting Japan at all. But then, as Lord Palmerston said, countries have permanent interests, not permanent allies.

PB

Dutch Left



The Dutch and German Communist Left (1900-68). 'Neither Lenin nor Trotsky nor Stalin! All Workers Must Think for Themselves!' By Philippe Bourrinet. Haymarket Books, 2018, 636 pages.

Bourrinet traces the origin of the subject of this detailed study – 'council communism' – to the breakaway in 1909 from the mainstream Dutch Social Democrat party (the Social Democratic Workers Party – SDAP) of a group critical of its open revisionism and parliamentary

reformism, to set up the Social Democratic Party (SDP) as a more orthodox Marxist party. What they objected to was the SDAP's exclusive reliance, to improve the lot of the working class within capitalism, on parliamentary action, including deals with bourgeois parties. The SDP envisaged the workers using strikes and other forms of mass action to further their interests as well as parliamentary activity that excluded deals with other parties.

Bourrinet concentrates on the views of two of their prominent members, the poet Herman Gorter and the astronomer Anton Pannekoek (though he was active in the German party at the time and up to the outbreak of the First World War). The SDP was not anti-parliamentary. As a Left Communist himself, Bourrinet sees Pannekoek's advocacy of mass strike action to try to obtain a more democratic franchise in Prussia as 'paradoxal' but that's with hindsight. At the time Pannekoek was not anti-elections. Nor was Gorter, who stood for Parliament in 1913 (and got 196 votes). In 1918, by which time the whole political situation had changed, the SDP got two MPs elected.

In November 1918 it changed its name to the Communist Party. Gorter and Pannekoek remained members but, having become by this time anti-parliamentarists, were not in the majority. They both eventually resigned to support the Communist Workers Party of Germany (KAPD) formed in 1920 by people expelled from the German Communist Party for, among other things, taking up an anti-election and anti-trade-union position.

This earned Gorter a place in Lenin's 1921 polemic *Leftwing Communism: An Infantile Disorder*. Pannekoek had received a more favourable mention in Lenin's 1917 *State and Revolution* for his view that the aim of the socialist revolution was to overthrow the state.

Pannekoek, however, did not share Lenin's view that a new 'workers' state' should be set up to replace the old state. Believing that the Russian revolution had really been the 'soviet' (i.e council) revolution the Bolsheviks claimed it was, he advocated that, after the revolution, power should be in the hands of workers' councils.

Bourrinet goes on to recount the rise of the KAPD, which at its height in 1921 had over 40,000 members, and its subsequent decline as it split into different groups over the roles of trade unions, workers councils and the party. Some were virtually anarcho-syndicalists. While the KAPD disappeared after 1933, the Dutch Communist Left survived as the Group of International Communists and after the

Second World War as the Spartacusbond. But by then there weren't any more of them than of us – fewer in fact.

Apart from their anti-parliamentarism, their post-war position was very close to ours, especially with regard to the need for the socialist revolution to involve majority democratic self-organisation. Their final position on Bolshevism can be seen from the titles of two of their books in English: Otto Rühle's 1939 *The Struggle Against Fascism* Begins with the Struggle Against Bolshevism and Paul Mattick's 1978 *Anti-Bolshevik Communism*. Some of them came to see Russia not only as state capitalist but the Bolshevik seizure of power in November 1917 as a state capitalist revolution.

ALB

Exhibition review

Annie Swynnerton: Painting Light and Hope

Painting was one of many cultural areas from which women were once all but prohibited. Training was difficult, and women were generally barred from classes with nude models, which were seen as an essential part of artistic education. A number of women who did succeed were born into artistic households, often the daughters of painters. Annie Swynnerton (1844-1933) was one of the few women who overcame these problems, and in 1922 she became the first female Associate Member of the Royal Academy, which had been founded in 1768. She attended the Manchester School of Art and in 1879 helped to found the Manchester Society of Women Painters. However, she has been relatively neglected and a fair number of her works are either lost or untraced. An exhibition at Manchester Art Gallery, on until 6 January, is the first major display of her work in almost a century.

Swynnerton was also politically active, and joined the Manchester Society of Women's Suffrage. The subjects of her portraits include prominent supporters of women's suffrage, such as Millicent Garrett Fawcett, and also Swynnerton's friend and fellow-artist Susan Dacre, who is in turn represented by a portrait of Lydia Becker, who had set up this society, the first of its kind. An early portrait by Swynnerton is of William Gaskell (widower of novelist Elizabeth Gaskell), where his face and hands and a newspaper are highlighted against his black suit and a dark background.

(Continued on page 22)

50 Years Ago

Law and Order in the U.S.A.

If you saw it only on television and stayed off the streets, the political situation in the United States this year seemed like a second-rate circus which had suddenly and dramatically risen in entertainment value. The star performers—Humphrey, Nixon and Wallace—were clowns at best, whose acts included the usual inane platitudes, empty promises, perpetual smiles, and abysmal ignorance of the system they defended. At worst, they were not clowns, but surrealist weasels, one of whom was seeking the power to provoke and crush insurrections, to fill the concentration camps which have already been constructed here under the McCarran Act, to complete the extermination of the Vietnamese, to bring on a chemical, biological, and/or atomic world war, and to turn the circus into a chamber of horrors whose only audience would be the eskimos lucky enough to survive the epidemics of anthracis and tularemia.

The theme of all three performers was the same: change

(Continued from page 21)

Swynnerton also painted many other depictions of women, from both Manchester and Italy, where she and her husband spent part of their time. Some of these were of poorer women, such as a young mother carrying her child while collecting water, and another of a convalescent. Her own nude studies can be quite powerful, as in one of Cupid and Psyche, which includes bodily features such as veins, so rejecting the conventional idealisation of the body. In Italy she also painted a number of landscapes and town scenes.

She was influenced by various artistic schools, including the Pre-Raphaelites and Impressionists, so her work can seem, as the accompanying catalogue notes, ‘perplexingly eclectic’. But the exhibition demonstrates both the merit of Swynnerton’s work and her role in increasing women’s presence in art.



“our” military strategy in Vietnam and do something about law and order. Many U.S. “radicals” have been thoroughly shaken by Wallace’s success among white workers, recalling that the Nazis succeeded with a similar combination of racist chauvinism and pretended hostility to big business. And indeed, his aggressive, anti-intellectual appeals to the racism and bigotry of his supporters are frightening to hear. But the actual policies that Nixon is (or Humphrey would have been) likely to adopt are no less frightening.

We should be grateful, in one way, that “law and order” became such a strident campaign issue in the election, because it gives us a chance to expose the primary aim of government. That aim is to protect the social order of capitalism. Government is the agency which maintains the control of the capitalist class over their property and their workers. It is essential to grasp the fact that a given form of government is the result of a particular social order, not the cause. Otherwise we cannot understand the true function of elections, and we cannot understand politics. Instead we will approach politics the way most workers do, and waste our time in futile and meaningless debate over the personalities of individual candidates.



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

Obituaries:

Bob Beckett

We’re sorry to say that long-time Lancaster Branch treasurer Bob Beckett died in October of lung cancer, aged 68. Bob joined the Party around the time of the Miner’s Strike in the early 1980s and was locally famed for his encyclopaedic knowledge of indie music, once beating a gang of five of us hands down at Music Triv. He did his own indie Festive Fifty every year since secondary school, and had the same birthday as his hero John Peel. Many of us were also impressed by his uncanny ability, like the Good Soldier Schweik, to play dumb with state authorities and thereby foil every threat and inducement by benefits staff to find him gainful employment, so that he managed never to have a paid job in 40 years, instead spending his time at home playing records. Bob was a visceral

rebel against capitalism, which he saw as pointlessly idiotic, and he was well on the way to becoming that classic socialist archetype, the adorably grumpy old sod, until the big C got him first, but he coped with characteristic philosophy and good humour right up to the end. We’re going to miss him a lot, but we like to think he went on his way with a wheezy chuckle and two fingers still stuck firmly up at the system.

Lancaster Branch



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.

Meetings:

DECEMBER 2018

LONDON

Islington
Saturday, December 8, 11:00 a.m. to 1:00 p.m.
Street Stall
Nag’s Head Shopping Centre (outside Burger King), 402 Holloway Rd, N7 6PZ
Nearest tube: Holloway Road.

BOLTON

Friday 14 December, 8.30 p.m.
Manchester Branch Social
Venue: Sweet Green Tavern, 127 Crook Street, Bolton BL3 6DD

JANUARY 2019

LONDON

Hammersmith
Saturday 19 January, 2.00 – 4.00 p.m.
Subject to be announced
Venue: Quaker Meeting House, 20 Playfair Avenue, London, W6 9JY (at the end of the road)

Picture Credits

Cover: Ghost, 2010, J.C. LeBrun, CCBY2.0
Superlode, 2011, soniadcm, CCBY-SA3.0
Trump, 2015, Gage Skidmore, CCBY-SA3.0
White House, 2010, Dawson Martin, PD
Pg.2: Trump, 2015, Gage Skidmore, CCBY-SA2.0
German Bank Note, 1991, Deutsche Bundesbank, PD
Lenin & Stalin, 1922, Planetzercolor, CCBY-SA4.0
Pg.4: Dog, 2004, Ellen L. Finch, CCBY-SA3.0
Pg.7: Miles Davis Statue, 2006, Pawel Staszek, CCBY-SA4.0
Pg.9: Bolsonaro, 2016, Fabio Rodrigues, CCBY2.0
Pg.11: Athenodorus, 1909, Henry Justice Ford, PD
Pg.13: Fred Trump, 2018, Fair Use
Donald Trump Caricature, 2016, Donkey Hotey, CCBY-SA2.0
Coat of Arms, 2011, Lyon Court, CCBY-SA4.0
Friedrich Trump & Family, 1915, Unknown, PD
Pg.14: Bundesbank Building, 2014, Joergens.mi, CCBY-SA2.0
Deutsche Bundesbank, 2018, Thomas Kroemer, CCBY-SA4.0
Pg.15: Northern Rock, 2007, Lee Jordan, CCBY-SA2.0
Pg.16: Death Dealer, 1973, Frank Frazetta, Fair Use
Pg.19: Derren Brown, 2009, Cen2s2s, PD
Shaftesbury Theatre, 2011, Andreas Praefcke, CCBY3.0
Pg.22: The Young Mother, 1887, Annie Swynnerton, PD
Back Page: IWW Poster, 1911, Sir Richardson, PD

Donald The Great Dictator?

An article titled 'Is Trump A Fascist?' (informationclearinghouse.info, 1 November) lists twelve early warning signs of fascism and asks readers to make up their own minds. Rather than debate the validity or otherwise of the various signs, including some such as rampant sexism, control of mass media and protection of corporate power which are ubiquitous, defining fascism would be a good place to start. Originally, *fascist* referred to the followers of Benito Mussolini, who was dictator of Italy from 1922 to 1943. Racism and anti-Semitism, though it did exist, did not play a prominent role in Italian fascism, unlike the German Nazi variant. Fascism was -- and is -- an authoritarian, nationalistic and anti-socialist political ideology that preaches the need for a strong state ruled by a single political party led by a charismatic leader. Hitler and the Nazis came to power with the support of more than ten million workers. Further, that very month, March 1933, the first camp was opened -- for the incarceration of officials of the Communist and Social Democratic Parties. And on May 10 1933 in Berlin banned books were burnt openly and watched by some 70,000 people. Trump ticks those three ideological boxes and like Hitler was elected -- his supporters include millions of workers, whilst millions of others are disenfranchised. In April his administration began enforcing a zero-tolerance immigration policy that has resulted in thousands of children being separated from their families. What next? More camps surrounded by 'beautiful barbed wire'? Further, given that apparently Trump does not read books, and there is already a list of banned books, one wonders if he will object to them being burned ... Steve Hilton, the former chief strategist to the former Prime Minister Cameron, made this candid comment:

‘Regardless of who’s in office, the same people are in power. It is a democracy in name only, operating on behalf of a tiny elite no matter the electoral outcome.’ Indeed, and in the more long-term perspective, all social events for over two hundred years have taken place within the framework of world capitalism, with



its class divisions and profit motive. As such, this form of society must be held responsible for every war, every death from starvation and every dictator it has generated. Let us prove Hilton wrong by voting for ourselves for a change.

Blood, sweat & tears

'What makes you rich, and how much do you earn if you're middle class?' (newstatesman.com, 1 November). George Orwell once described his family of origin as 'lower-upper middle class'. The term middle class is in everyday use but generally to refer to occupation rather

than, as in the *New Statesman* article, income. The socialist position is that classes are defined by their relationship to the means of production. We, the working class, having no other property to sell on a regular basis, live by selling our labour power for a wage or a salary. Marx put it more graphically: capital, 'is dead labour, that, vampire-like, only lives by sucking living labour, and lives the more, the more labour it sucks. The time during which the labourer works, is the time during which the capitalist consumes the labour-power he has purchased of him.' And: 'The capital given in exchange for labour-power is converted into necessities, by the consumption of which the muscles, nerves, bones, and brains of existing labourers are reproduced, and new labourers are begotten'. The life-blood of this system is the pumping of surplus value out of wage labour. The whole working class is involved in creating, maintaining and reproducing labour power for the benefit of the capitalist class. The struggles over the distribution of the social product, the organisation of work, working conditions and the results of production never stop. The class struggle or war is more than a struggle over the level of exploitation, however. Ultimately it is a struggle over the ownership and control of the means of production and distribution.

The war in question has been correctly identified by none other than Warren Buffett: 'there's class warfare, all right, but it's my class, the rich class, that's making war, and we're winning.' Consider, the top 0.1 percent of American households hold the same amount of wealth as the bottom 90 percent and every 38 seconds a U.S. citizen dies of poverty and poverty-related social conditions. The rich will stay rich and the poor poor until a majority of class conscious workers act and capitalism is replaced by a world without wages, money, poverty and war.

