

# socialist standard

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

## THE DARK ART OF ECONOMICS

THE HOPELESSLY ARCHAIC STATE OF  
CONTEMPORARY ECONOMIC THOUGHT



also:  
*The Lesser Evil?*  
*End of an Epoch?*  
*The World of Finance*



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# socialist standard

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## 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'

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## Socialism hasn't failed – it's never been tried

Capitalism is robustly defended by its supporters as being the most successful social system in human history. We are told that it has raised human living standards to unprecedented levels and surpasses any other society in terms of productivity and efficiency. It is meritocratic and promotes human ingenuity and enterprise. It is claimed that socialism, on the other hand, has failed wherever it has been practised – the former Soviet bloc countries, Cuba, Venezuela and not to mention the former nationalised industries in the West.

It is certainly true that capitalism has revolutionised the productive forces of society. Indeed this fact is an important part of Marx's analysis of capitalism. A prominent argument of scientific socialism has always been that capitalism has developed the means of production to the point that makes possible a society of potential abundance.

Capitalism is not just about private companies and banks, it is an economic and social system, where the means of production and distribution are owned and controlled by a minority to the exclusion of the majority, the working

class. This minority can comprise private individuals, the state or a mixture of both. The working class can live only by selling their labour power to the minority capitalist class, whether private businesses or the state. What workers receive in wages is less than what they produce, leaving a surplus (which includes profits) for the capitalist class.

It is true that some workers, either through education or other means, can rise from a relatively low-paid job to a higher-paid salary position. They may enjoy a more comfortable lifestyle and higher social esteem, but, like all workers, their working conditions and employment prospects are subject to the whims of the marketplace and they may find themselves out of a job if it is not profitable for their employer to keep them on. It is not unknown for a worker to make it into the capitalist class. However, the dice is loaded against the workers, as a lot of money is required upfront to start a business and securing finance is not easy if you are not from a rich background. Even if a worker succeeds in business, their new-found wealth will be produced by the workers they employ.

Socialism hasn't failed. In fact it has never existed anywhere. What we witnessed in the so-called 'socialist' countries was not socialism, but state capitalism. The nationalised industries in the West were capitalist enterprises owned and managed by the state. Socialism, properly defined, is a classless, moneyless and wageless society established globally without national borders. It won't be governments or leaders that will bring it about, but a socialist conscious working class organised on a world scale to capture political power and convert private or state property into common ownership. Humans, at long last, will be free of the constraints of the market system. The employer and employee relationship will be gone, and people will be able to take freely of what they need and contribute according to their ability. Humans will be free to realise their true potential. We urge workers to join us to bring this about.

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# PATHFINDERS

## Locked up in lockdown

A US prison inmate with 12 months left on an 8-year sentence for selling crack cocaine is confined to his cell during lockdown with a cell-mate suffering from Covid-19, so in panic he smuggles a phone message out to plead for help, claiming a staff member told him half of the inmates were going to die:

'So all of a sudden, out of the blue, fucking everybody just fucking dying and getting sick and shit. Like this shit serious as fuck. Like, they literally leaving us in here to die' ([bit.ly/2WRKTgJ](https://bit.ly/2WRKTgJ)).

The Ohio authorities immediately deny the claims, saying the man is exaggerating and that there's nothing wrong with his cell-mate or with the prison. But given the extent of confusion and misinformation at the moment, especially in a country with a self-proclaimed genius as president who recently announced that he had 'tested positively toward negative' for the virus, it's fair to ask who has got their facts right here. One hint that it might not be the Ohio authorities comes from an *LA Times* report that 70 percent of inmates at a federal prison in California have tested positive for the virus ([lat.ms/2zlwpNf](https://lat.ms/2zlwpNf)).

Up-to-date figures for UK prison infections have been suspiciously absent from media reports, despite warnings from the London School of Hygiene and Tropical Medicine in March that up to 60% of prisoners could become infected with the coronavirus (*Guardian*, 23 March - [bit.ly/2WU2oNt](https://bit.ly/2WU2oNt)).

The suspicion here is that while the public may have sympathy for the plight of care-home residents, there's no such concern for prison inmates who deserve everything they get, so journalists are ignoring the subject. But as the *Guardian* article points out, the most dangerous inmates have single cells in maximum security conditions and are therefore not at risk, whereas for the lowest-risk inmates, jailed for often minor misdemeanours, 'the local jails may well transform into charnel houses'.

Prisons are of course the one place that can really enforce a round-the-clock lockdown, but because of overcrowding there is little realistic chance of maintaining any social distancing. A *Telegraph* article in April suggested that the number of cases in UK prisons was already six times the published figure, and that lockdown was expected to continue for another 12 months, sparking fears of prison riots (*Telegraph*, 28 April - [bit.ly/2ZrPiZr](https://bit.ly/2ZrPiZr)).

In socialism one common-sense move would be the immediate release of the large majority of inmates jailed for minor property or drug-related offences. Capitalist governments tend to ignore common sense especially where prisons are concerned. Around 60,000 people are sent to prison in the UK each year, of whom nearly 70 percent are jailed for non-violent offences, and nearly 50 percent for six months or less (*Independent*, 21 May - [bit.ly/3edP4JQ](https://bit.ly/3edP4JQ)).

Study after study has shown that prison is the least-effective way of tackling crime, yet the UK has the highest rate of imprisonment in Western Europe, and the US and China the highest rates in the world.

But the pandemic caused a shock to the system so in April the UK Ministry of Justice proposed an early-release scheme for up to 4,000 low-risk prisoners. The scheme was soon suspended after media furore when 6 prisoners were accidentally released 'due to human error', despite the fact that none of these were dangerous and all returned of their own volition when asked ([bbc.in/2ZwSXVV](https://bbc.in/2ZwSXVV)).

As we go to press, only 57 of the 4,000 have been released, and prison virus cases have reached 1,000 ([bit.ly/2yqqndH](https://bit.ly/2yqqndH)).

Animal rights campaigners often rightly expose the brutality with which capitalism treats battery farm animals, packing them in so tightly they become sick with stress and self-inflicted injuries, yet there is little mention of how society treats its battery farm humans, many of whom experience Dickensian overcrowding conditions and where incidences of self-harming have hit record highs, with UK occurrences now averaging one every eight minutes (*Guardian*, 30 April - [bit.ly/2Tv62va](https://bit.ly/2Tv62va)).

### Nice and Nasty

Some pundits are asking the obvious question, what social practices might change in a post-Covid world, due to the perceived need for continued social distancing and contact tracing? We can predict the answer to that. None. After going through the motions for a while, capitalism will revert to type, cramming people together in vehicles, workplaces, social outlets, hospitals, care homes and prisons in order to save money. Capitalism is, as they say, nasty, brutish and short-sighted.

But socialists could ponder the question of agreed social practices more

broadly, by considering how viruses work. In the first place, viruses come in various strains, which compete against each other. Where potential hosts are physically in close proximity, the most virulent or aggressive strain of that virus out-competes all the other strains and spreads rapidly through the population. If a virus born in these conditions makes the species jump, it is the nasty stupid form, not the nice benign form.

If animals and people are dispersed, however, the opposite happens. The most virulent strain is stopped at the host border, just like every other strain, so it has no competitive advantage. In fact, it suffers a competitive disadvantage. Instead the advantage goes to the strain that can survive in its host the longest, which typically means the most benign strain. So the evolutionary tendency of viruses is to become less virulent with distance, until they are able to live in the host with little or no inconvenience, like the common cold (*New Scientist*, 20 May - [bit.ly/2LPGUuR](https://bit.ly/2LPGUuR)).

The 2009 swine flu epidemic evolved in pig farms in Mexico and spread rapidly because the pigs were crammed in together. The Covid-19 virus similarly spread because of densely crammed animals in Chinese wet markets. Human behaviour therefore played a critical role. Capitalism is about chasing money not learning lessons, but socialism will want to ask big questions, not just about farming practices, but about social and working practices too. The more you cram organisms up close and personal, the more you are asking for trouble. That has implications for urban or rural population densities, transport, recreational activities, everything.

Nobody is ever going to stop viruses, the most abundant and successful life form on Earth, if one can even call them a life form. The human race is not going to get wiped out by this virus, and probably not by any virus. But never say never. If we're going to minimise the likelihood of a future pandemic of truly biblical proportions we need a truly smart and benign social system to do it, not a stupid and virulent one that ignores every lesson and carries on regardless.

PJS

# One world or many states?

*We have been asked for our view on the movement for West Papua to gain independence from Indonesia. Here is our reply.*

The Socialist Party and wider World Socialist Movement in various locations throughout the world, consists of individuals who have come together for one purpose: to assist in the urgent task of establishing world-wide socialism. We define socialism as a society in which all the resources of the world are used in common to meet all the needs of all the people of the world, without any distinction whatsoever, including the distinction of so-called national identity. It follows, then, that we do not concern ourselves with either the destruction or the creation of national or territorial borders within capitalism. This is a policy that we have upheld from our formation in 1904. During that time, we have, of course, been admonished to recognise the seemingly vital need to defend this national group against that one; to support the imposition of this territorial border or the dissolution of that one; to denounce this act of nationalist aggression or to excuse that one. Our reply has always been that while capitalism exists, such disputes and conflagrations are unending and it is not the role of socialists to act as adjudicators over the rights and wrongs of conflicts that are endemic to capitalism.

To talk of self-determination is to play with words. Past circumstances notwithstanding, the world is today so integrated that no country can be genuinely independent in how it acts. Usually, it can't even independently decide how it behaves within its own 'borders', for fear of criticism or censure from international bodies, or, more usually, powerful outside interests.

World capitalism always has been, is now, and always will be a quagmire of different competing interests along national, religious and ethnic lines. But all such differences are artificially created by artificial scarcity. Only world socialism can finally put an end to this fight for resources – a sordid fight that, in order to acquire a semblance of decency, hoists coloured rags on poles, and conscripts evolved human morals and ethics into 'national' armies and risibly ordained 'national' interests.

Socialists don't deny the value of human culture, of course not. What we abhor and oppose is the culture of all the people of the world – which 'belongs' to and should be accessible to us all – being turned into nothing more than ruses to corral the working class of the world behind artificial borders, the real and sole purpose of which is to enlist us into fighting for and protecting world markets for 'us' and not 'them'.

Historically, West Papua is little different from any of the countless other regions that have been colonised and invaded over centuries. Today, a population of less than a million in West Papua contains 6 'ethnic' groups, practises 5 religions and speaks a variety of languages. Yet, the twin issues of personal poverty and the human rights of the individual are the main concerns in West Papua, just as they are in West Ham in London or West Bronx in New York. Why should the members of the human family who happen to be born in the particular part of the world named (by 'foreigners') West Papua limit their horizons, in this day and age, to West Papua? Why shouldn't an inhabitant of West Papua not see themselves as a citizen of the world, free to live wherever they choose on the planet? Why shouldn't anyone have the right to go and live in West Papua if they so desire?

Capitalism, of course, can never allow for such a world at peace with itself, of personal universal rights and personal self-determination – the only form of genuine self-determination and the only form that socialists care a hoot for. Only in capitalism is it necessary to construct borders around a designated area arbitrarily created by history, to keep certain people in and keep other people out. Socialism, the only universal solution to 'borders', will require no such artificial distinctions between the world's people and will have no borders. And since this is the goal of socialists, why would we do something as illogical as interrupt or postpone our endeavours to create a borderless world in order to advocate new borders that we aim to abolish?



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## COOKING THE BOOKS

### Will capitalism collapse?

In fact, is it already collapsing? Yes, according to John Smith, author of *Imperialism in the Twenty-First Century*, in an article published online on 31 March 'Why coronavirus could spark a capitalist supernova' ([tinyurl.com/yctydrvf](https://tinyurl.com/yctydrvf)).

Likening capitalism to a supernova (a rather dubious analogy), a star which implodes before finally exploding, Smith sees the implosion stage as what happened after the crash of 2008. The trillions of dollars, he says, that the 'neoliberals' spent 'bought another decade of zombie-like life for their vile system.' Then, after the dubious analogy, the bold prediction:

'This time they will be lucky to get 10 months, or even 10 weeks, before the explosion phase of the supernova begins.'

Well, it's not happened in the ten weeks since 31 March, so Smith is well on the way to making a fool of himself. We will have to wait till the end of January next year to see just how much egg there will be on his face.

There is a precedent for this. In August 1931, as the slump which followed the Wall Street Crash of October 1929 got

worse, Jimmy Maxton, the left-wing leader of the Independent Labour Party, then still affiliated to the Labour Party, predicted:

'I am perfectly satisfied that the great capitalist system that has endured for 150 years in its modern form, is now at the stage of final collapse, and not all the devices of the statesmen, not all the three-party conferences, not all the collaboration between leaders, can prevent the system from coming down with one unholy crash. They may postpone the collapse for a month, two months, three months, six months but collapse is sure and certain' (quoted in our 1932 pamphlet *Why Capitalism Will Not Collapse*, [tinyurl.com/yayoxlfp](https://tinyurl.com/yayoxlfp)).

Smith based his prediction on an inevitable coming collapse of the price of shares traded on stock markets rather than on anything happening in the real economy such as overproduction in some key sector. Capitalism, however, is not driven by what happens on the stock exchange but by what happens in the realm of actual surplus-value production.

The stock exchange is a place where past profits are distributed and future profits anticipated. Those who gamble on the future profit-making of particular companies base their bets on information

about what is happening in the real economy. To this extent a fall in stock market prices can be a sign that a slump in production is coming. But it is not the stock exchange crash that causes the slump but, rather, overproduction in some key sector that causes both.

There has been a slump, a quite drastic one in fact, but not caused by a stock exchange crash nor even by overproduction but by actions taken by governments to deal with the pandemic of an infectious disease. Governments deliberately shut down production by locking down all but key workers and requiring them to stay at home.

When the pandemic is under control or when, with the development of an effective vaccine, it is over, governments will allow people to go back to work and production to resume. Of course things might not go to plan and production might take longer to resume than they anticipate or hope, but in the absence of a movement that consciously aims to end capitalism and replace it with socialism, capital accumulation will eventually recover and resume its zig-zag upward course of ever-repeating cycles of booms and slumps.

# WOOD FOR THE TREES

## RESPONSIBILITY

HUMAN ACTIVITY has changed our planet profoundly. Vast swathes of urban development, agricultural clearance, industrial complexes and military installations have impacted the ecosphere which in turn has affected the other species we share the Earth with. Although all of this is indisputably the consequence of human activity can we, as a species, be held responsible for the effect it has had on our environment and ourselves? Some may find it an absurd proposition that we can somehow be innocent of the consequences of our actions as a species. But we would not prosecute a child for criminal acts in the same way we would an adult; similarly as an incredibly young species (in geological time) can our actions be considered as merely the immature destructive anarchic play of Hominids?

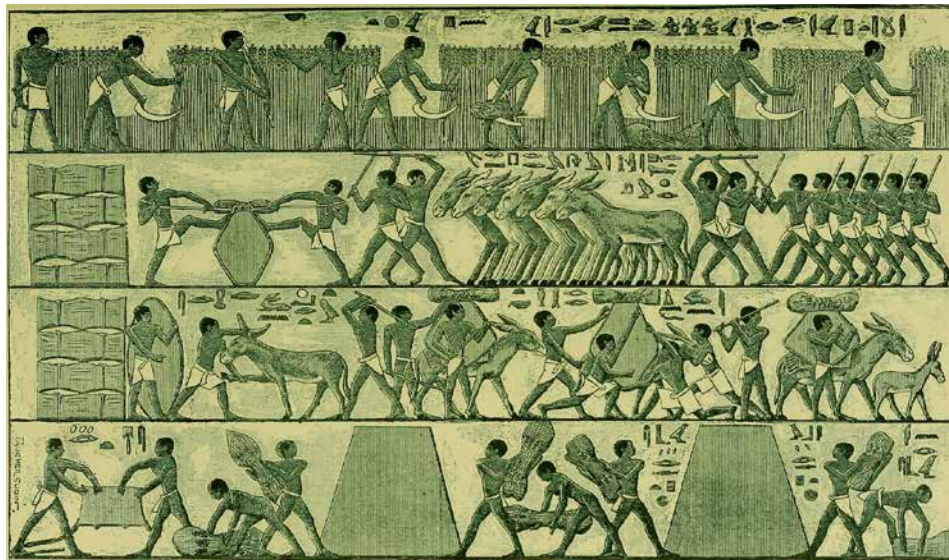
We like to contrast our behaviour with that of other species by pointing out our ability to imagine the consequences of our actions within an ethical and moral context; for this reason it would be irrational to hold a tiger or a gorilla responsible for the consequences of anything they do. They act primarily on instinct in nature and to do otherwise would seriously compromise their survival. They are 'programmed' to respond to stimuli in a way that natural selection has determined. Although we may believe we can impose moral constraints on our actions as individuals because of a different level of consciousness is this true of our actions as a species? Can we claim the ability to direct our development according to any ethical principles or are such aspirations merely a result of an idealistic conceit that any serious study of history can discard?

Before the development of science our species did not possess the knowledge and information to understand the impact

that our economic activity would have on the ecosystem. Those indigenous cultures that did practise some level of integration with their environment were ruthlessly swept aside by the juggernaut of capitalist industrialism and farming. Although primarily motivated by the greed of a tiny minority it was always justified in the name of 'progress'. Even if those concerned had sought to control this mode of production, once set underway, it could not be directed. The idealists who sought to impose limits on it because of

mystery (to bourgeois economists) of alienated human production. Capitalist development is indifferent to the needs of those who serve and create it. This fact has been known by a minority for over 100 years now. This is why socialists struggle for a revolution to sweep away capitalism because we know that it cannot be controlled – it is anarchic and destructive. Those who realise this and do not help in the struggle are indeed responsible for its continuance. But without such consciousness entering the

lives of the vast majority (who, out of political ignorance due to ideological manipulation do not support the struggle) the destruction will continue. Some may despair of our species and even long for our demise but such emotions are merely self-indulgent moral outrage based on the idealistic conceit that humanity has the ability



moral or environmental concerns always failed, not because of any lack of integrity but because they did not understand that humankind's productive activities controlled it – the capitalist mode of production, like the other forms of private property that preceded it, created a profound alienation between producers and any control of how and what they produced. Just as other species respond to the natural environment humankind had created a cultural environment that it responded to. There was no possibility of control either through an ability to imagine consequences of economic activity or, even if this had been possible, any ability to do so. Our species was not responsible for its own development.

This is clearly exposed in the ideology of those who defend the system – they think of it as 'natural' and unchanging. Some go as far as to make a religion of free markets and their faith in its ability to make our lives better. Both stem from the essential

to impose rational and moral control on capitalist production or the idea that many maintain a wilful rejection of the political imperative of socialism even if they understand it.

The simple fact is that most people do indeed want an end to the environmental destruction, not just for their own sakes but for other species as well. Most still believe it to be a scientific and rational problem that has to be resolved within a capitalist context. Far from believing themselves to be 'lords of creation' in terms of the relationship with other species most feel themselves to be victims of mysterious economic forces out of their control. In this they are entirely correct but to realise that they are merely puppets of their own productive activity is a profound affront to an identity forged by the ideology of individual moral responsibility.

**WEZ**

## UK BRANCHES & CONTACTS

### LONDON

**North London branch.** Meets 3rd Thurs. 8pm at Torriano Meeting House, 99 Torriano Ave, NW5 2RX. Contact: Chris Dufton 020 7609 0983 [nlb.spgb@gmail.com](mailto:nlb.spgb@gmail.com)

**South London branch.** Meets last Saturday in month, 2.30pm. Head Office, 52 Clapham High St, SW4 7UN. Contact: 020 7622 3811.

**West London branch.** Meets 1st Tues. 8pm. Chiswick Town Hall, Heathfield Terrace (corner Sutton Court Rd), W4. [spgb@worldsocialism.org](mailto:spgb@worldsocialism.org)

### MIDLANDS

**West Midlands regional branch.** Meets last Sun. 3pm (check before attending). Contact: Stephen Shapton. 01543 821180. Email: [stephenshapton@yahoo.co.uk](mailto:stephenshapton@yahoo.co.uk).

### NORTH

#### North East Regional branch.

Contact: P. Kilgallon, c/o Head Office, 52 Clapham High Street, SW4 7UN.

**Lancaster branch.** Meets 2nd Sun (Jan 3rd Sun), 3pm, Friends Meeting House, Meeting House Lane. Ring to confirm: P. Shannon, 07510 412 261, [spgb.lancaster@worldsocialism.org](mailto:spgb.lancaster@worldsocialism.org).

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Branch website:

<http://geocities.com/edinburghbranch/>

**Glasgow branch.** Meets 3rd Weds. at 7pm in Community Central Halls, 304 Maryhill Road, Glasgow. Contact: Peter Hendrie, 75 Lairhills Road, East Kilbride, Glasgow G75 0LH. 01355 903105.

[peter.anna.hendrie@blueyonder.co.uk](mailto:peter.anna.hendrie@blueyonder.co.uk).

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**Lothian Socialist Discussion @Autonomous Centre Edinburgh, ACE, 17 West Montgomery Place, Edinburgh EH7 5HA.** Meets 4th Weds. 7-9pm. Contact: F. Anderson 07724 082753.

### WALES

#### South Wales Branch (Swansea)

Meets 2nd Mon, 7.30pm (except January, April, July and October), Unitarian Church, High Street, SA1 1NZ. Contact: Geoffrey Williams, 19 Baptist Well Street, Waun Wen, Swansea SA1 6FB. 01792 643624.

#### South Wales Branch (Cardiff)

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# MATERIAL WORLD

## GUNS BEFORE HEALTHCARE

THE RECENT pandemic highlighted the shortages of vital medical supplies even though the need had been anticipated. Under capitalist logic, spare hospital bed capacity and stockpiles of personal protection held in storage for medical staff represent wasted resources and, rather than addressing the deficiencies in healthcare, investment in military equipment to prepare for future wars are considered money better spent.

Max Mutschler from the Bonn International Center for Conversion, a peace institute, explained, 'Military expenditure is based on worst-case scenarios.' He explained that the threat of military conflict always remains present in the background: 'With regard to the tension between the US and China, we do not know if there will be an armed conflict or not. So the militaries in both countries are preparing for this eventuality, and they're very good when it comes to lobbying for more funds'.

Global military expenditure reached \$1.9 trillion in 2019 according to the latest figures from the Stockholm International Peace Research Institute (SIPRI). Of the 15 countries in the world with the highest defence budgets, six are NATO members: Canada, France, Germany, Italy, the United Kingdom and the United States. Their combined military expenditure makes up almost half of the world's total figure. In 2019, the total military expenditure of NATO's 29 member states was some \$1.04 trillion.

According to the SIPRI report, in 2019 the USA was responsible for 38 percent of global military expenditure, totalling \$732 billion. The increase over its 2018 budget alone amounted to the equivalent of Germany's total expenditure in 2019. China ranked second place after the US when it comes to military spending. Its budget contributed 14 percent of global military expenditure in 2019 and rose by more than 5 percent to \$261 billion. China's military budget has jumped by 85 percent since 2010.

The COVID-19 pandemic has exposed what the priorities are under capitalism. Keeping citizens safe ought to be the greatest responsibility of any society. Since 2003, the world witnessed the SARS, H1N1, MERS, Ebola and Zika

virus outbreaks. States, in other words, had ample warning time to prepare for the possibility of a pandemic. But governments' priority was to spend on armaments rather than readying for a potential pandemic disaster.

Military spending leads to states diverting money away from health care systems – a fact long-acknowledged even by capitalist politicians. US President, Eisenhower, said in 1953:



'Every gun that is made, every warship launched, every rocket fired signifies, in the final sense, a theft from those who hunger and are not fed, those who are cold and are not clothed. This world in arms is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists, the hopes of its children'.

Nation-states have failed to recognise the biggest threats to our safety: pandemics, climate change and environmental destruction, and prefer to safeguard global trade routes and sources of raw materials for capitalist industry.

A new report by the National Priorities Project (NPP) at the Institute for Policy Studies, examined the connections between the climate emergency and the US military.

The report, entitled 'No Warming, No War: How Militarism Fuels the Climate

Crisis—and Vice Versa', says that the ongoing coronavirus pandemic 'has utterly changed life as we know it' and warns against working toward a return to an old normal which was 'defined by unfettered capitalism that thrives on the devastation of our planet, the devaluation of human life, and the use of military force to perpetuate both.'

The report also takes aim at the military contractors such as Lockheed Martin, Boeing, General Dynamics, Raytheon, and Northrop Grumman that reap massive profits from the devastation of war.

'On a local and global scale, humanity and community have been co-opted by profit and violence. This 'normal' has now brought us to the brink of an existential crisis as climate change continues nearly unabated,' co-authors Lorah Steichen and Lindsay Koshgarian write in the foreword. 'In the face of both COVID-19 and the climate crisis, we urgently need to shift from a culture of war to a culture of care'.

Half of all international wars since 1973 have been linked to fossil fuel resources, particularly in the oil-rich Middle East. According to NPP: 'The US military spends an estimated \$81 billion a year to protect the world's oil supplies—even before accounting for the Iraq war.' It is 'among the biggest polluters' on the planet, producing about 59 million metric tons of greenhouse gas emissions per year, more than countries such as Sweden, Denmark, and Portugal, according to the Costs of War Project at Brown University's Watson Institute for International and Public Affairs. A B-52 consumes as much fuel in an hour as the average car driver uses in 7 years.

The interests of working people are best promoted by a society based on common ownership of the world's resources, with no national barriers. Then, global production system can be geared not to the interest of profit, but to serving human needs. Rational economic decision-making can replace the present chaotic market. Coordination and planning will aim to benefit the people. The main task of socialist society will be to satisfy people's needs. That is the goal that socialists strive for.

**ALJO**



# What is Economics?

Open any textbook on economics. The concept of 'scarcity' soon appears, maybe even on the first page. And you'll read that there are scarce resources and unlimited wants, and that economics is the study of the choices that people make to deal with this situation.

The concept of 'scarcity' used in these definitions is an abnormal and a circular one; and human wants are not unlimited. In any event, the relationship between scarce resources and unlimited wants is not really what economics studies. This definition is an ideological construct to justify one particular way of organising the production and distribution of goods and services – the capitalist system of production for profit, involving markets, money, prices, profits, wages, interest, banks, etc.

## What is scarcity?

Taking at random a typical economics textbook, *Economics* by Ralph T. Byrns and Gerald W Stone (5<sup>th</sup> edition, 1992), it opens with a chapter titled 'Economics: The Study of Scarcity and Choice'. Paul Samuelson in his widely-used textbook of the same name writes of 'the law of scarcity'. Actually, it's not a law but a definition. And an odd one at that.

When someone says that something is scarce, what comes to your mind? Probably you think that there's not enough of it, that it's in short supply. That's the normal usage, but for modern academic economics it's something rather different. In his statement of the so-called 'law of scarcity' Samuelson contrasts scarcity to a situation where 'an infinite amount of every good could be produced'. The other textbook starts a paragraph headed 'Scarcity' with 'A world in which all human wants are instantly fulfilled is hard to imagine.' Yes, it is. In fact it's preposterous. But that's what is behind what economics means by 'scarcity' – it's the absence of an infinite amount of every resource and every good, the absence of a state of affairs in which everything would be provided free by nature, in which, as in the mediaeval legend of the Land of Cockayne, geese would fly around ready-cooked saying 'eat me!' And we're supposed to take their definition seriously.

It's the same with what economics means by what is normally regarded as the opposite of scarcity – abundance. The normal definition and usage of this is, to quote a few dictionaries, 'plenty', 'more than enough', and even 'ample sufficiency'. It does not mean everything being what economics calls 'free goods'. 'Free goods' is in fact the last trace in economics of the labour theory of value, which was embraced by Adam Smith and David Ricardo as well as by Marx, since they are goods that are available without having to be the product of human labour. They have no price because no labour has to be expended to produce them.

So, economics is defining 'scarcity' in such a way that it exists by definition and irrespective of human needs; that it's part of the human condition. In fact in a sense it is, though this is a strange

way of putting it. A much more straightforward way would be to say that humans have to produce by their own work most of what they need. But that of course leads back to the dreaded labour theory of value as it would bring out that the only sort of goods that economics is interested in are those that are the products of human labour, past and present.

But this definition of scarcity is still not adequate for the ideological aim of justifying a system where people's consumption is rationed by money. The imagined killer argument here is that productive resources, however abundant (in the normal sense), will

never be enough to satisfy human needs and wants as these are 'unlimited'. So there will always be a need to ration what people can consume.

This view is stated very clearly in the textbook's definition of economics: 'Economics is the study of how individuals and societies allocate limited resources to try to satisfy their unlimited wants'.

This definition is accompanied (page 5) by a Figure 1: 'The Origins of Scarcity' which aims to illustrate this. On the left side there's 'Limited Resources and Time' and on the right side there's a long list of 'Virtually Unlimited Human Wants'. This is introduced by 'Scarcity occurs because our limited resources and time can only yield limited production and income, but people's needs are virtually unlimited.' Note how this already begs the question of the necessity of a system with monetary incomes.

## What are human needs?

Philosophers, psychologists, sociologists, anthropologists, nutritionists and others have argued over the definition of both 'needs' and 'wants' but clearly there is a 'hierarchy of needs' based on, first of all, physiological/biological needs, primarily food. But 'man does not live by bread alone' as humans are social animals and have other needs beyond this level, basically to be members of a community and to have social recognition and esteem within it. This is not purely social and non-material but has a material aspect to it as what a person consumes affects how they are socially regarded, how they regard themselves, and what their aspirations are. In other words, 'wants' are socially-determined, not just a matter of individual whim. They are shaped by society, not by biology in the way that basic human needs are (though even how these too are met is socially-determined).

So we've got:

1. Basic, physiological needs.
2. Non-material, social/psychological needs
3. Material needs and wants arising out of these.

So let's apply this to the list in the textbook. These on the list can be regarded as *basic needs*: food, clothing, shelter.

The list contains some other goods to meet people's material needs over and above the minimum to stay alive, e.g. transportation, comfort, good health but also useful things such as microwaves, telephones, washing machines, computers, music equipment, etc. But there is no problem in producing enough of these for everyone. In fact most people have already got them (or their modern equivalents) now.

And then there's *non-material, social needs*: recognition, sense of personal worth, peace of mind, success in life.

And, finally – and this is where it becomes revealing – the *material goods to satisfy these non-material needs*: jewellery, three-car garage, golf lessons, plastic surgery, swimming pool, fancy

automobiles, ski boats, yachts, designer wardrobes, country estate.

Non-material needs (such as the listed recognition, sense of personal worth, and success in life) can be met in a number of ways depending on what kind of society people have been brought up in and live in. The textbook's list of ways to meet them today (jewellery, etc) clearly reflects a society divided into rich and non-rich where to be rich is a measure of success in life and a way of gaining recognition.

The dogma of unlimited human wants which economics preaches assumes such a society and that wants are infinite because the non-rich aspire to be rich and the rich want to be richer. This latter is itself a reflection of the fact that capitalism is a system of continual capital accumulation.

The 'wants' that capitalist society generates may well be 'virtually unlimited' but capitalism is not the only way of producing and distributing wealth, nor of satisfying people's need for recognition, sense of personal worth, and success in life. These needs could be met in other ways in a different society and have been in the past.

### What Economics really studies

So, if resources are not in short supply and if human needs are not unlimited, where does this leave economics or rather its definition of itself? It would have to be redefined along the lines of: 'The study of how individuals and societies allocate available resources to satisfy their needs and wants'.

But would that still be economics? It sounds more like a branch of sociology or even the Marxist Materialist Conception of History.

In any event, it is not what economics does study. So what is it that it studies? Samuelson listed various definitions of economics which he rejected before offering his own. One of these he rejected does describe what in practice economics studies:

'Economics is the study of those activities that involve money and exchange transactions among people'.

This is a good description of what you do find studied in economics textbooks beyond the opening chapter. It is also what political economy (as economics was then called) studied in the eighteenth and nineteenth centuries.

In effect economics is the study of the capitalist economic system as the most developed form of exchange economy, one in which nearly everything is produced for sale on a market; where people have to acquire money to access what they need to live; and where even human mental and physical energies are bought and sold.

Where all these are the case, economic laws come into operation which act as if they were natural laws and which economic actors (whether governments, employers or workers) have to follow and submit to. The 'political economists', Adam Smith, David Ricardo and the others, believed that these economic laws really were natural laws and so saw the capitalist exchange economy as the natural way of organising the production and distribution of wealth. But capitalism is only of comparatively recent origin in human history and is not the only way to organise production and distribution.

Economics is, whether the writers of economics textbooks realise it or not, the study of the economic laws that come into operation when goods and services are produced by wage workers for sale on a market with a view to profit. Laws which can be summarised as 'No Profit, No Production', 'Can't Pay, Can't Have' and 'You Can't Buck the Market'.

Of course as long as there is an exchange economy, with money, markets and the rest, there will be a need to study how it works, not to advise governments or corporations but to show that it can only work in the way it works and so not in

the common interest. It's true that you can't buck the market. You can't give priority to meeting needs.

If economics really was the study of how individuals and societies use resources to satisfy their needs and wants, its textbooks would study non-monetary and non-market ways of doing this as well as the capitalist way. There would be chapters examining what resources are available, what human needs and human wants are and what determines them. But economics leaves these to other sciences – and then takes no notice of their findings.

Take food resources. There are plenty of studies which show that the planet could produce enough food to meet the food needs of every man, woman and child alive today and many more. So, why are there so many malnourished and starving people in the world? You might expect economics to invoke its founding myth of scarcity and infinite wants to explain this and say it's the result of there being too many people. But they can't because year after year the FAO reports that enough food is already being produced to meet at least the basic food needs of everyone on the planet. So, whatever the reason why people are malnourished it's not because there's not enough food. It is not because food is scarce.

It is here that the more accurate description of economics – as 'the study of the activities that involve money and exchange transactions among people' – can help. Food, like nearly everything else, is produced today to be sold to provide a monetary income for the seller. It is not produced to feed people. This means that it only goes to those who can pay for it. If you have no money you don't count and can starve. And if you have money, the more money you have the more and better food you can get. That's what determines how food is distributed today.

That's why, although even now enough food is produced to meet the basic, biological needs of everybody, it is not distributed to do so. It is not even produced with that in view. But it is not a question of just sharing out more evenly what is produced today since, if it wasn't for the market system even more could be produced, enough to adequately satisfy everybody's food needs well above the basic level.

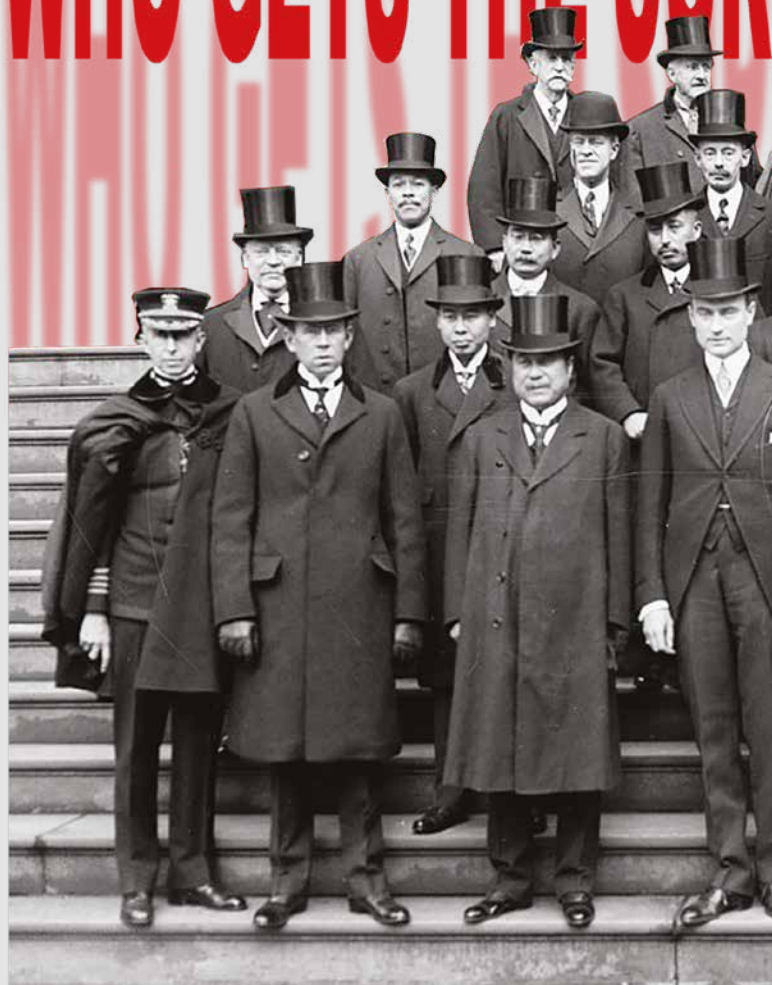
Much more constructive than studying how the capitalist exchange economy works would be to study how best to use available resources to satisfy human needs and wants. And not just to study this but to see this implemented. Implementing this assumes the disappearance of capitalism and its replacement by a system where resources would no longer be owned and controlled by corporations, governments or rich individuals and used to produce goods for sale on a market with a view to profit, but would instead have become the common heritage of all. Only on this basis will the economic laws of capitalism no longer operate and society be free to produce and distribute wealth directly to satisfy human needs.

And of course, with the disappearance of capitalism and its economic laws, there'd be no need for a science to study them and what we now call economics would disappear too. But ex-economists would surely find more satisfaction in studying how humans can allocate resources to meet their needs in conditions of relative abundance.

**ADAM BUICK**



# WHO GETS THE SUR



The coronavirus crisis has demonstrated, as if it needed demonstrating, that it is the working class who keep our society running and create the value in our society, not executives or financiers. We cannot repeat often enough: the source of profits for capitalists comes from the difference between the cost of paying for our ability to work, and the value of the goods we produce in the working time that we sell to them. Money cannot be turned into more money without the intervention of human labour somewhere in the story.

This simple relationship, between buyers and sellers of the ability to work, is the essence of capitalism. What complicates this relationship is what happens to the profits derived from this exploitation of human time. This surplus value, as Marx termed it, needs to be realised as money, through the final sale of the goods and services produced by the workers. There is no natural or essential way of dividing this surplus value: the various common divisions – rent, interest, commercial profit – are all just negotiated between the various types of capitalists who stand behind the buying of labour power.

To try and protect their investments, and try to win over the greatest share of the surplus value they can get, the owners make agreements between each other, and they turn to the state to regulate and enforce those agreements. The owner of land sets conditions on its use, and expects to get a share based on the productive advantage their land provides relative to other plots. The lenders of money extract interest based on their perception of risk, the general profitability of the economy and how much money is available to lend generally. Chief executives get inflated salaries and bonuses. Shareholders get dividends.

## Sharing the loot

These divisions, and the mechanism by which they can be allocated and enforced, are only limited by human imagination and ingenuity. In his book *Moneyland* Oliver Bullough describes how a group of London bankers tried to circumvent the post Second World War system of capital controls and currency stabilisation controls in the Bretton Woods Agreement. A banker called Ian Fraser was tasked with coming up with arrangements to create what later became called Eurobonds.

If the bonds had been issued in Britain, there would have been a 4 percent tax on them, so Fraser formally issued them at Schipol airport in the Netherlands. If the interest had been paid in Britain, it would have attracted another tax, so Fraser arranged for it to be paid in Luxembourg. He managed to persuade the London Stock Exchange to list the bonds, despite their not being issued or redeemed in Britain.

By this simple agreement to meet the requirements of regulators, Fraser et al were able to start moving around dollars stuck in Swiss bank accounts anonymously and tax free. This is a part of what Bullough terms 'Moneyland', a virtual no-place where money and other assets can disappear

to reappear on the other side of the globe.

Such arrangements enabled the architects of such transactions to burst asunder the restrictions being placed on financial transfers, and make the financial market a global institution. Of course, as Bullough notes, the previous rule-based system was not neutral; the United States was keen to use its muscle as the issuer of the world's reserve currency to impose its will on other states. Just as the negotiations between the various strands of capitalists are contingent upon their power and ability to write the rules to their own advantage. There has never been a pure market, but always one in which actors can try to limit competition through changing the rules of the game.

This does cut both ways, as Grace Blakely in her book *Stolen: How to Save the World From Financialisation*, freeing international markets for money and finance means that 'bond vigilantes' can start to impose pressure on state policies through the threat of moving their capital or selling their currency. They watch the behaviours of governments and judge how conducive they are to profit making for investors. There is no conspiracy here, simply the operations of raw market power.

## Thieves fall out

She joins many on the Left who see financialisation as a distinct trend of contemporary capitalism. Many on the left have effectively taken the side of industrial capitalists ('who

# PLUS WE PRODUCE?



actually make things') against the financiers, who are seen as parasitical. Of course, the reality is that both types of capitalist are exploiting workers, they just disagree over who gets what share.

According to Blakely:

'Businesses once focused primarily on producing goods and services for which they had a competitive advantage, but today they are likely to place as much if not more focus on their share price, their dividend regime, their borrowing and the bets they've made on exchange rates and interest rates' (p.13).

Such focus is rational because directors' bonuses depend on those factors. Also, dealing in abstract money as money has a safety factor compared to actually buying specific stocks of machinery and components which can be rendered obsolete by technological change. The competition between capitalists means trying to push as much risk onto others while maximising their reward.

In this journal we've previously reviewed Mariana Mazzucato's *The Value of Everything* (July, 2018). In that book she observes of the financialisation thesis: 'In the 2000s, for example, the US arm of Ford made more money by selling loans for cars than by selling the cars themselves'. Of course, there are more advantages to a firm doing this, debts can be packaged up and sold off, as in the infamous credit default swaps that featured so heavily in the 2008 financial crisis. Indeed, every transaction can be made subject to derivative transactions, they can be insured, hedged for and against, sold

on futures markets and generally speculated upon.

As with the Ford example above, this can mean adding notional growth and assets to a company based on the income that the company can expect and how it aligns with accounting rules. A vast machinery of human minds abstracts from the income derived from the work we do to create a notional second nature. This is what Blakely calls the financialised growth that she observes. It also inflates the notional value of company and national accounts.

## The state steps (back) in

Coronavirus has disrupted this financial machine. As now arch-Starmerite writer Paul Mason noted in the *New Statesman* (18 March):

'Every aspect of human life, in a developed society like ours, is "securitised". That is: my gym membership fees, the takings at my local pub, the profits of Starbucks, the bus and tube fares I pay – all are wrapped up into financial instruments into which a complex network of banks, hedge funds, insurance firms and pension funds invest in order to generate profits' (<https://tinyurl.com/rebmxaa>).

He argues, correctly, that this financial architecture is not just superficial but integral to the whole economy, and the strains put on it by the lockdown are enormous. Its notional character is misleading, that financial architecture is real, and the product of human beings coming together and making complex arrangements, even if it seems irreducibly complex from the outside. It polices and disciplines states and corporations alike, on behalf of the owners of wealth. The \$52 trillion in assets in the shadow banking sector he identifies as at risk are the profits extracted from our labour.

His suggestion, that the state will have to step in, is also correct, since there is no market mechanism to ensure the continuation of society, in the short term. This does not mean, as he suggests, that that will be a new economic system. The post-Second World War Labour government stepped in, and through nationalisation stabilised the economy and saved ruined industries (indeed, then as now, the crisis may well destroy the value of enough capital for those lucky enough to have wealth to invest to make a killing at the fire-sales of the bankrupts and for growth to resume on a rapid scale).

Capital controls, which he advocates returning to, would be jail-broken again as soon as the profitability was there. Dismantling financialisation will not improve the lot of the working class. Nationalising the banks just means nationalising commodity fetishism. We cannot repeat too often: exploitation happens because we sell our ability to work and capitalists use that ability to make a greater value of wealth.

**PIK SMEET**

# Economics: the Marginalist Fallacy

What is 'value' (economically speaking)? It is a good question and one that has often generated controversy. Classical economists like Adam Smith maintained that a commodity's value depended on how much labour went into making it. This argument was taken up and refined by Marx. Then, in the late nineteenth century, partly in response to Marx's own labour theory of value and the perceived threat it posed by exposing capitalism's exploitative character, a new approach emerged. The 'Marginalist Revolution' in economics ushered in the idea of marginal utility – the satisfaction you get from consuming an additional unit of a good which declines with each additional unit consumed along with the price you are willing to pay. As the Austrian economist Ludwig von Mises put it: '*It is ultimately always the subjective value judgments of individuals that determine the formation of prices*' (*Human Action*, 1940).

However, Von Mises' explanation won't wash. The 'subjective value judgement' a hungry beggar makes about a three-course meal contributes nothing to its price while they lack the money to afford it but there is, additionally, an obvious epistemological flaw in Mises' thinking. 'Subjective value judgements' are something only individuals can make – not society – but prices are the emergent outcome of millions of individuals interacting, each of whom are external (objective) to everyone else. Furthermore, as social phenomena, prices clearly influence our valuation of a commodity by making us more – or less – inclined to buy it. So the subjective theory of value is based on circular reasoning. Prices are supposed to be determined by subjective valuations which, in turn, are determined by price.

Does this mean that subjective valuation – the utility or 'use value' of a good – has no role to play in price formation? Of course not. As Marx himself noted 'nothing can have value, without being an object of utility' (*Capital*, Vol. 1, Ch. 1). However, while the subjectivists conflate 'use value' with 'exchange value' he insisted they be distinguished. Use value could not account for exchange value even though it was a precondition of market exchange. Fundamentally, only labour could provide a sound explanation of value under capitalism.

Why? Drawing on Aristotle's observation that 'exchange cannot take place without equality, and equality not without commensurability', Marx reasoned that this ruled out utility as the basis on which commodities exchanged. This was because the utilities of chalk and cheese (or anything else) are essentially incommensurable. Commodities can only exchange on the basis of something they have in common.

What jackets and pairs of shoes have in common is the fact that they are both products of human labour. Exchanging one for the other presupposes each took roughly the same amount of labour to produce. After all, no one would exchange something worth more for something worth less.

Equivalence is assured by adjusting the ratios in which commodities exchange. So if our jacket takes more labour to produce than a pair of shoes this may mean exchanging it for, say, three pairs of shoes to ensure equivalence. Of course, today we don't normally exchange jackets for shoes – barter. Instead, we use money as a universal equivalent with the 'exchange value' of a good being expressed in price.

The relationship between price and value in Marxian theory often gives rise to misunderstandings. Largely, this

is because critics fail to grasp Marx's method. As Michael Harrington notes:

'Therefore the reader must be warned that the opening pages of *Das Kapital* – or, for that matter, the entire first volume – contain conscious simplifications. Marx, like everyone else, actually began with the "chaotic whole" of immediate experience, but in his masterpiece he follows a logical rather than an experiential order. So in understanding any part of the Marxian analysis one must carefully ask: Under what simplifying assumptions is it subsumed' (*Socialism*, 1972).

As Marx's argument unfolds, one 'conscious simplification' after another disappears. The purpose of this procedure is to arrive at a progressively closer approximation of capitalist reality. Hence the initial hypothesis that commodities sell at their values gives way to a new hypothesis that commodities sell, not literally at, but around, their value and that their price is influenced by other factors apart from value – such as the interplay of supply and demand.

That does not invalidate the theory, however. Though there is a constant disequilibrium in capitalism, there is also a constant tendency for supply and demand to adjust to each other via the price mechanism. In the long run, argues Marx:

'If supply equals demand, they cease to act, and for this very reason commodities are sold at their market-values. Whenever two forces operate equally in opposite directions, they balance one another, exert no outside influence, and any phenomena taking place in these circumstances must be explained by causes other than the effect of these two forces' (*Capital*, Vol. 3, Ch. 10).

Thus, after balancing out supply and demand we have still to explain why, say, a Berlingo van consistently costs so much more than a Raleigh bicycle. It is at this deep structural level that the law of value exerts a powerful gravitational pull on prices. This is buttressed by the fact that prices cannot fall below a business's costs of production for any length of time which has the effect of keeping them firmly within the orbit of value.

One should bear in mind also that Marx's theory does not equate 'value' with the actual amount of labour it took to produce a good – 'concrete labour'. If that were the case there would never be any incentive to introduce labour-displacing technology since this would mean less value being produced. Rather the metric of value is 'abstract labour' – the socially necessary labour time it takes to produce a good, from start to finish, under average industry-wide conditions.

Socially necessary labour-time is not something you can measure with a stop watch – like concrete labour. Moreover, it can only express itself through market exchange. As Marx explained in the same work:

'Social labour-time exists in these commodities in a latent state, so to speak, and becomes evident only in the course of their exchange. Universal social labour is consequently not a ready-made prerequisite but an emerging result'.

This means that the value of a product can change even after it has been produced as a result of ongoing technological and other changes.

ROBIN COX

On the face of it, the lesser evil argument seems only common sense. If you have a choice between something bad and something worse, who would choose the worse? In fact, in everyday life, who does?

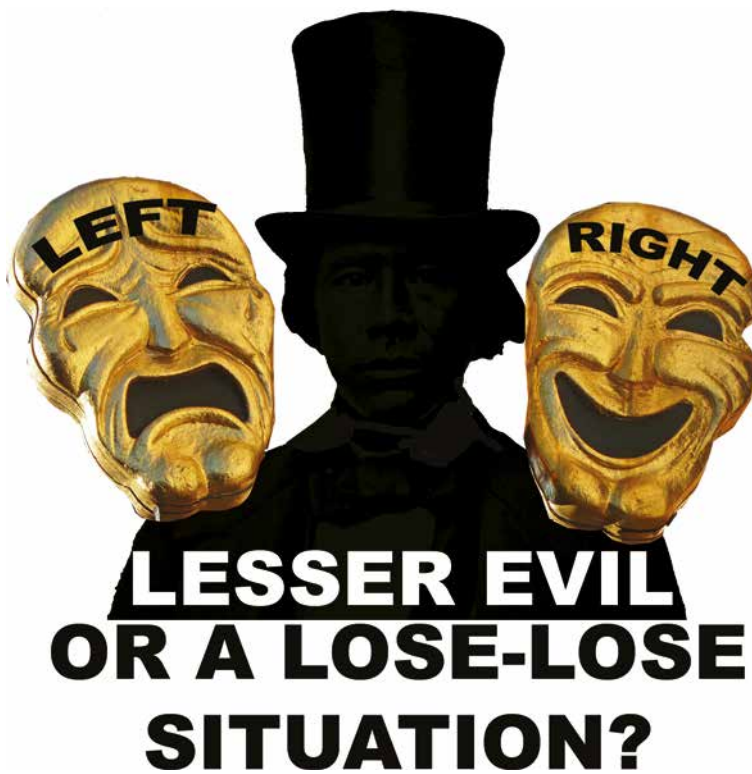
In politics it is rather more complicated as there are not just two options since, even if there are only two candidates, you can always choose not to vote for either of them by not voting at all. And there is not always agreement either on what is 'evil' or on what is 'lesser'.

In Britain at election time we socialists come up against this argument from those who want us to vote Labour on the grounds that it is the lesser evil compared to the Tories. But it is not just socialists who are confronted with the lesser-evil argument. For instance, in Northern Ireland if you are a Unionist living in a predominately Irish Nationalist area you may find yourself in a situation where only Sinn Fein or a moderate Nationalist has a realistic chance of being elected; in that case you might be open to persuasion to vote for the moderate Nationalist. On the other hand, you might consider a united Ireland so 'evil' that you wouldn't vote for either of them.

Socialists feel the same when confronted with a choice of two (or more) candidates standing for capitalism. For us, capitalism is the 'evil', which is why it is a matter of indifference to us which particular party forms the government under it. This is based on the nature and lived experience of governments under capitalism. On paper the programme of the Labour Party seems more attractive – offering more reforms to benefit working people – than the Tories. However, as everyone knows, what a party does when in office is not the same as what it says it will do.

There is a reason for this. Any party that takes on the job of being a government under capitalism in the end has no choice but to bend to the economic laws of capitalism and give priority to profits and conditions that facilitate profit-making. Thus we have seen Labour governments cut benefits, impose wage restraint, oppose strikes, bring in racist immigration controls, prepare for wars, etc, just as Tory governments have. This makes choosing between them irrelevant. Changing governments changes nothing; capitalism continues and it is capitalism that is the problem.

In the US, as it's a presidential election year there, whether or not to vote for a perceived lesser evil is a big issue. A veteran leftist, Mitch Abidor, in an article in the *New York Times* (13 May) subtitled 'Many disappointed fans of Bernie Sanders would prefer a quixotic display of principle', urged them not to make the same mistake his generation of leftists made in 1968. Then they voted for third-party candidates rather than for Hubert Humphrey the Democratic Party



candidate, so helping Nixon to win (though actually Nixon would have won anyway). He summarises their argument as:

'The two major parties are merely the right and left wings of the capitalist system. Six of one, half a dozen of the other.'

This is true and a view we can endorse. Note, however, that those Abidor was criticising are planning to vote for the Green Party candidate, Howie Hawkins, as opposed to not voting for any candidate who stands for capitalism

(after all, they were planning to vote for Sanders and his programme of more state intervention in the capitalist economy), as does the Green Party, even if it wants to go back to an idealised smaller-scale capitalism.

As a sexist, racist, xenophobic loudmouth Trump is the perfect bogeyman, the ideal 'greater evil'. Who wouldn't want to vote him out? Quite a few actually. Ok, how could any 'progressive' not want to vote him out? Yes, but who are they going to vote in instead? The Democratic Party is indeed 'the left wing of the capitalist system'. If he wins, Biden would be presiding over the affairs of the US capitalist class and, in accordance with the past policy and record of Democratic presidents, would defend its interests abroad. The form might change (he might be more polite) but the content (defence of US interests throughout the world) would continue. It really would be half a dozen of the other.

In Britain, over time fewer and fewer people are being convinced by the lesser-evil argument and at election time are refusing to choose between Labour and the Tories as the only two parties with a realistic chance of forming a government. They vote instead for the party that best expresses what they *do* want. In this, they follow the advice of Eugene Debs, a leader of the pre-WW1 reformist Socialist Party of America:

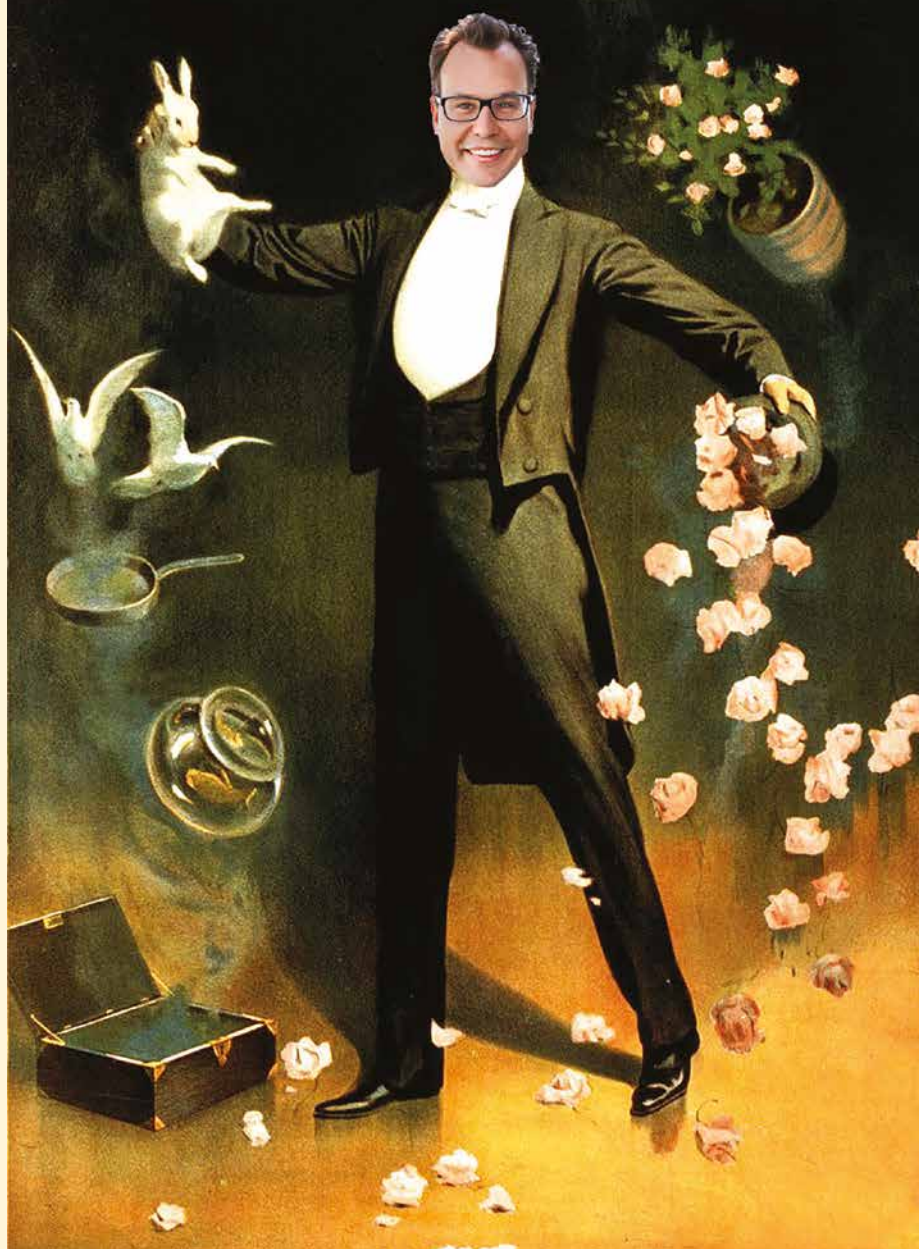
'It is better to vote for what you want, and not get it, than to vote for what you don't want, and get it.'

We agree with that too but there is another reason why we in particular refuse to vote for any candidate or party that stands for capitalism or wants to try to reform it. The capitalist class are the ruling class – the class that controls political power – because the excluded wage-working majority class acquiesce in this by, among other things, voting for politicians and political parties who accept the capitalist economic system and the right of the capitalist class to live off incomes ultimately derived from the exploitation of the majority class.

From this perspective, voting in an election where all the candidates stand for capitalism is a lose-lose situation. There is no lesser evil.

ALB

# END OF AN EPOCH?



As the first wave of the Covid-19 crisis appears to be abating a little, some commentators have begun to speculate as to longer term consequences. That there will be marked social, economic and, therefore, political impacts is surely beyond doubt. But, how accurately can they be predicted?

One such commentator is Bruce Fenton, founder and Chief Investment Officer of Atlantic Financial. His monograph, 'The End of an Epoch – A new beginning for capital markets in the twenty-first century', published on 22 April, addresses sudden dramatic changes in human circumstance from the Palaeolithic to the present day and beyond, in 12 pages.

His opening sentence clearly sets out his contention: 'We are at the end of an epoch.' He goes on to state that those whose view is that with the end of Covid-19 things will return to 'normal' (his quotation marks) are greatly mistaken, '...where we are today will not be marked as...a recession, or even a depression, but as the end of an era.'

Fenton claims the old world has gone, that the change happened fast and is permanent. He expands on this notion by calling on recent historical examples. Every decade, he

claims, is different, 1950s from the 60s, 70s distinct from the 90s. This is very neat history.

The problem is that history is not so conveniently apportioned. 1967 may have had a radically different appearance to 1957, but it was on-going changes through the 50s, development of rock and roll, for example, leading to Jimi Hendrix at Woodstock, that manifested in the 60s. 1960 had more features in common with 1959 than 1969.

There are indeed moments in history that can be identified as having a significant impact. The Black Death so devastated the population it effectively severed the peasant feudal ties to the land, transforming them into a rural proletariat.

However, this is a partial view at best, reflecting circumstances in England. The Black Death was equally devastating throughout Europe without having an effect to the same degree on social relations. It is possible that warreners, who arrived with the Normans to supply the new overlords with rabbit meat, were the origin of free labour as, being not tied to the land, they worked outside the feudal structure.

Fenton looks to the flu virus of 1918 as an illustration of how pandemic brings epoch change. 'The Spanish Flu was immediately followed by WW1 and a world that would never be the same.' Is this merely a proof-reading error or an illustration of an uncertain grasp of historical detail?

The report goes on in a similar broad-sweeping manner, covering human (pre-)history from 2.5 million years ago in a few paragraphs. Interesting from a Marxist point of view is that he touches briefly on how from the Palaeolithic to relatively recent times people organised themselves around family/clan structures. 'For more than 99.9% of our history, humans functioned and operated in groups'.

As someone working in finance, Fenton gives an interesting account of present (American) government action. Covid-19 provoked a corporate bailout by government in excess of \$6 trillion, about \$18,000 per citizen. This equates to the government taking \$18,000 from every citizen, giving \$16,800 to the corporations and then returning \$1,200 to the citizen. 'This is a bad deal' he says.

In a section entitled, 'Bad Economics', Fenton illustrates his own bad economics. Either that or he is literally a financial

wizard. 'One of the most beautiful things about economics (and something socialists don't understand) is that both capital and value can be created from nothing'. Unfortunately for him, socialists do understand. The examples he goes on to give confuse value and price, as if they are one and the same. It seems Fenton does not appreciate Marx's concept of socially necessary labour required to produce value in commodities.

While theoretically, price and value closely equate across all society and its production and exchange of commodities, this is not necessarily so regarding any specific commodity at any specific time. Fluctuations in supply and demand or other factors can mean a commodity can sell at a price above or below its value. If Fenton is banking (perhaps literally) on drawing white rabbits of value from the financial conjuror's top hat, then he is a magician convinced by his own illusions. This is a problem for him as he states at the very top of his 'Solutions' the following, 'Laissez-faire economics – good economic principles work and are needed now more than ever'. However, the solution he proposes is actually no solution at all – crisis over, it's back to monetarism (Hayek gets a credit); capitalism that's nasty, brutish and short-sighted, its vision transfixed by profit alone.

Fenton goes on, 'We must avoid communism, socialism, corporatism and failed ideologies'. He gives no reasons why communism and socialism should be avoided, he must presume it is self-evident, referring to the models in popular consciousness. For communism we should read the soviet system and its variants. The difficulty here for Fenton is that communism is a system of common democratic ownership of the means of producing for need not profit, in a wageless society without states and/or national boundaries. That soviet 'communism' met none of those criteria means the state capitalism that was the reality offers no insight into communism, something as yet unrealised anywhere. Perhaps socialism was the path towards communism the soviet system was travelling? Except socialism is not some transitional phase, but a synonym for communism, so the same objection applies.

How, if the driving principle is to be laissez-faire, is corporatism to be avoided? Capitalism drives towards monopoly, which can only be ameliorated, this side of socialism/communism, through state intervention.

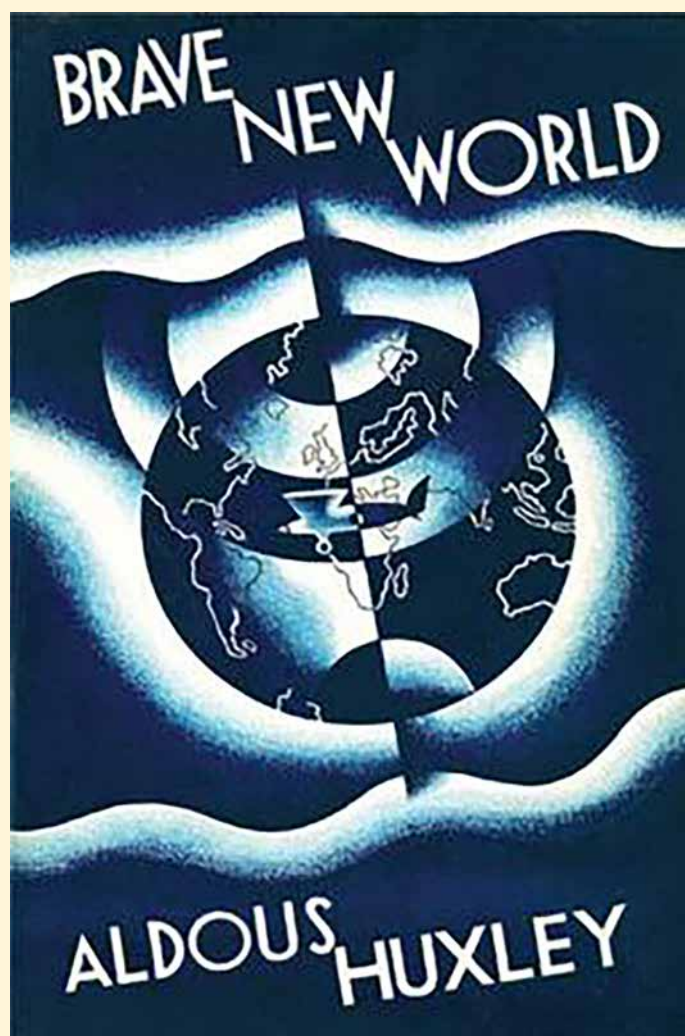
As for failed ideologies, how about beginning with the prevailing capitalist ideology of letting the market determine production. When SARS broke out in 2003, the market demand for a vaccine set pharmaceutical R&D into action. Progress was made, but that virus proved not so resilient, infection rapidly declined and with it the prospect of profits from a vaccine. Research promptly ceased. 17 years later and Covid-19, a coronavirus related to SARS, means starting to developing a vaccine once more. People are dying so the

market is buoyant again.

In his conclusion Fenton says, 'The old is gone and cannot be repaired, only rebuilt. The new world is a green field of opportunity. It is time to build something better than we ever had before'. He is absolutely correct. People can decide not to go backwards and take the uneasy easy option of settling for some version of what was.

The present pandemic and the likely prospect of others to come, the environmental threat of global warming, the increasingly crisis-ridden nature of capitalism that can only pursue profit regardless of human need requires the building of a new world. A socialist world (see above). Otherwise, it's back to a new old and cross your fingers. Difficult if you're sitting on your hands.

**DAVE ALTON**



# Party News – Discord in the Ranks

IT'S not like socialists to curl up our tootsies and give up at the first sign of trouble, so we're not likely to let a once-in-a-century global pandemic cramp our style. Instead, like many others during the current lockdown, we are responding to physical restrictions on meeting by going online. We're using the audio-only Discord system to save bandwidth, and because most of us are not sufficiently photogenic to want to look at each other every day. The system works pretty well and we've already held a couple of online talks, as well as several branch and Executive Committee meetings. It's not been entirely plain sailing of course, with some members having to drag headphones or microphones out of attics or cellars only to discover that they last worked efficiently when Sony Walkmans were still a new fad. Others have had computer problems as Discord doesn't work with very old operating systems, or with the super-restrictive Windows S. Actually Discord was originally designed for gamers, who tend to a) be digital natives and b) have state-of-the-art gear. Many socialists, it is fair to say, do not belong to this social demographic, so online conferencing software can be something of an uphill struggle. That's why, for the next few weeks, there will always be someone on the server, ready to talk or answer user questions, at 12 noon and again at 7.30pm, UK BST, unless there's an evening talk on.

Still, we're making progress, with around 50 members online at the time of writing. Companion parties have got involved too, with members from the USA, Canada, Europe, Japan and India. And of course visitors are very welcome too, and are free to join any online Discord meeting just as they would be free to attend any physical meeting by the Socialist Party or its companion parties. This is a great opportunity to chat to socialists from around the world without leaving your house! And if anyone is thinking of joining, having a live chat about it with members is much more fun and informative than simply filling in a form on the website.

If you'd like to drop in and chat to us online, or come to one of our talks or other events, just drop us a line to [spgb@worldsocialism.org](mailto:spgb@worldsocialism.org) and ask for an invite.



## COOKING THE BOOKS

### Negative prices: how come?

'US oil prices turn negative as demand dries up', the BBC reported on 12 April. A 'negative price'? How can that be? Why would a seller want to pay a buyer to buy their goods? Actually, something similar, though described differently, frequently occurs when supply exceeds market demand; in that case, if they want to sell their goods, sellers have to cut their price, sometimes even below the cost of production. This is what happened with oil when, as a result of governments shutting down productive activity to combat the spread of the virus, the supply came to exceed the market demand for it for delivery on certain dates. This presented the oil producers with the problem of where to store the excess oil. This (e.g. hiring oil tankers) can be expensive and explains why the oil producers were prepared to sell their oil at a lower price to someone else to buy and store; cutting their losses by in effect paying someone else to store it. It is only described as a 'negative price' because of the way oil is traded and its price determined on futures markets where delivery is for a fixed future date.

Marx employed a similar concept, though not the terminology, to explain the source of the profits of capitalist businesses engaged in merely buying and selling commodities (he called it

'merchants' capital' but today 'dealers' capital' might be better). According to the labour theory of value, only the labour employed in activities connected with the actual transformation of materials that originally came from nature into something useful to humans created value and so surplus value, the source of profits. Where, then, did the profits of capitalists whose business didn't do this come from?

At first sight, the profits of dealers seem to come from simply increasing the price of what they buy; hence their unpopularity especially amongst small-scale producers as unproductive middlemen exploiting them. Under developed capitalism, Marx explained (in chapter 17 of Volume 3 of *Capital* on 'Commercial Profit'), this is just an appearance. The 'producers' that the dealers would be 'exploiting' would then be productive capitalists (whether engaged in agriculture, mining or manufacturing), but why would these latter allow this? Why wouldn't they avoid it by themselves selling their commodities directly to the final consumer?

Marx's answer was that this would tie up some of their capital and not be the most profitable use of it. So what evolved, as capitalism developed, was a situation in which they in effect pay dealers to sell their commodities to the final consumer by selling them to the

dealer at a price below what they could get if they did this themselves, allowing the dealers to pocket the difference. Which explains how dealers share in the surplus value produced in the productive sector of the economy without their capital being invested in any value-producing activity.

Thus dealers make their profits, not by selling a commodity above what Marx called its 'price of production' (cost of production plus the average rate of profit), but at it, having bought from the productive capitalists below that price. As Marx put it:

'The merchant's sale price is higher than his purchase price not because it is above the total value, but rather because his purchase price is below this total value'.

The price at which the productive capitalists sell their commodities to a dealer could be described as a 'negative price' but this is not a passing effect of the operation of the law of supply and demand when supply comes to temporarily exceed market demand as it did with oil in April. Rather it is a permanent feature of the circulation of commodities that has evolved as it has proved more profitable for there to be a division of capital between productive capital and dealers' capital.

# PROPER GANDER

## At The Movies

*'Desperate Measures Not To Save The Planet, But To Save Our Way Of Life'*

THE MAKERS of documentary film *Planet Of The Humans* said they wanted it to ignite discussion, but they probably weren't expecting the backlash it received. Online articles and vlogs debunking and rebutting the movie outnumber those supporting it, while it generated some lively discussion, generally wary of accepting it at face value, on the SPGB's Discord server after a viewing.

While being freely available to watch (at [tinyurl.com/ybvzrx7v](https://tinyurl.com/ybvzrx7v)), *Planet Of The Humans* wouldn't have been nearly as well-known if its publicity hadn't emphasised Michael Moore being an executive producer. But its main driving force is writer, presenter, producer, director and musician Jeff Gibbs, previously a co-producer of some of Moore's documentaries. Gibbs is concerned that 'we humans are poised for a fall from an unimaginable height' due to our impact on the environment, especially the amount of climate-changing carbon dioxide being pumped into the atmosphere. His view is that our preoccupation with 'green energy' as an antidote to this is misguided.

Much of the documentary focuses on arguing that renewable energy sources such as biomass, sunlight and the wind aren't as environmentally friendly as we're led to believe. The heavy use of dwindling resources involved in manufacturing sails, turbines and photovoltaic cells, along with their limited lifespan are criticised as being more trouble than they're worth. Gibbs discusses how solar energy, in particular, has been hyped up as better than it really is. Festivals such as the Earth Day event and Solar Festival in Vermont bragged about being solar powered while quietly using biodiesel generators and the main grid as backup. Exaggerating the use of solar power to disguise reliance on fossil fuels also happens on a wider scale. Coal plants in places such as Las Vegas and Kalona, Iowa were replaced by solar farms, but news reports ignored the natural gas plants built alongside them. Gibbs argues that our reassuring assumption that renewables are replacing fossil fuels is misplaced, as in reality, fossil fuel use in America is still rising.

'Biomass' usually means chopping down trees and burning them to generate electricity, but despite this not sounding particularly eco-friendly it still counts as renewable energy. In fact, it's the main renewable source of electricity, producing much more than solar and wind power.

Gibbs finds plenty of protesters at a climate change rally who aren't in favour of biomass, but attitudes to it differ among environmental campaigning groups. This leads on to the film's other main point: the links between the environmental movement and big business. The Sierra Club, which calls itself 'the most enduring and influential grassroots environmental organisation in the United States', ran the 'Beyond Coal' campaign. This supported the use of biomass, and in turn got support from timber companies and partnered with the likes of Exxon Mobil and Chevron. Environmental news website Treehugger.com was founded and funded by loggers Georgia Pacific, which is owned by the Koch brothers, likely the biggest recipients of biomass subsidies in America. There are lots of greenbacks to be made backing green energy.

According to Gibbs, 'the takeover of the environmental movement by capitalism is now complete. Environmentalists are no longer resisting those with the profit motive but are now collaborating with them'. Latching on to and hyping up so-called green, renewable energy are 'desperate measures not to save the planet, but to save our way of life'.

Gibbs talks with social psychologist Sheldon Solomon to explore the attitudes which led to our misuse of the environment and are stopping us from addressing it. Gibbs says that both the left and the right assume we can carry on with our culture of consumption, but while the right believes in unlimited resources and religion, the left believes in green energy and hasn't accepted humans' own mortality. Unfortunately, the film doesn't go into how both left and right are misguided in that the system they both support is itself the problem. We cut away from their interesting chat too soon, and as was pointed out during the party's discussion of the movie, its quick edits of interviews are annoying. Some quotes sound suspiciously like they've been taken out of context as we don't hear what was said before and after.

The film ends with a solemn voiceover: 'we humans must accept that infinite growth on a finite planet is suicide. We must accept that our human presence is already far beyond sustainability and all that that implies. We must take control of our environmental movement and our future from billionaires and their permanent war on planet Earth. They are not our friends. Less must be the new more

and instead of climate change we must at long last accept that it's not the carbon dioxide molecule destroying the planet, it's us. It's not one thing but everything we humans are doing. A human-caused apocalypse. If we get ourselves under control, all things are possible'.

But the film doesn't suggest solutions to the problems it raises. The nearest it gets to this is when it discusses population levels, an issue which Gibbs' interviewees feel is 'the herd of elephants in the room'. Compared with 200 years ago, the global population is ten times larger, and our use of resources is 100 times greater. The film argues that production and consumption should be reined in, but doesn't dwell on its implied connection between this and population control, nor dare to propose any ways of reducing numbers. By skirting the whole issue, the film ignores how population growth is slowing down overall, and countries with increasing populations tend to be poorer and have a much lower carbon footprint than America and Europe.

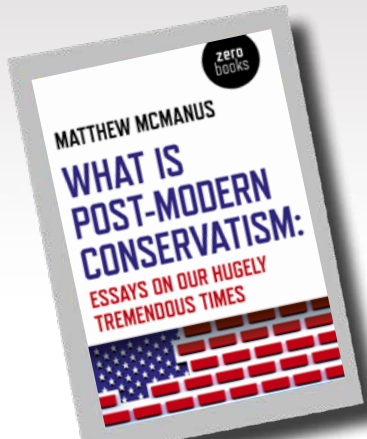
*Planet Of The Humans'* science fictiony title hints at its fictional science, another problem with its arguments. For instance, critics have pointed out that many of the claims and footage about the efficiency of solar panels are at least ten years out of date. In that time, photovoltaic cells have generally gone from being less than 10 percent efficient to around 20 percent ([tinyurl.com/yazlaam5](https://tinyurl.com/yazlaam5)). When later challenged about this, executive producer and interviewee Ozzy Zehner says that it doesn't matter, as solar energy still doesn't have enough impact overall ([tinyurl.com/ycl55u2l](https://tinyurl.com/ycl55u2l)).

The dubious accuracy of some of *Planet Of The Humans'* claims unfortunately detracts from the important points it makes about money-grabbing connections between environmentalists and businesses. Wanting our industries and lifestyles to be in harmony with nature is a laudable aim, but if you think this can be managed in capitalism, as environmentalists do, you're bound to get sucked into capitalism's structures and priorities, which put profit before planet. Moore said that the environmental movement's mistake was to associate themselves with 'corporate America', but their greater mistake is to associate themselves with capitalism itself.

MIKE FOSTER

# REVIEWS

## Modern Times



Matthew McManus: **What is Post-Modern Conservatism? Essays on Our Hugely Tremendous Times.** Zero Books £14.99.

This is probably not a question most people have asked, and in any case it is not clear that the answers given here will be all that satisfying. The book consists of a large number of shortish pieces, mostly written by the editor but some written or co-written by others, so it is rather repetitive and there is little sense of a sustained argument being built up.

McManus describes post-modernism as an epoch in human history, a culture defined by globalisation and massive technological changes. Traditional conservatism is mutating into post-modern conservatism, exemplified by such as Trump and Farage. It is 'ascendant across the Anglo-Saxon world' and is supposedly characterised by a number of features, including: indifference to the distinction between truth and falsehood, affiliation with a powerful identity seen as under attack, use of modern media, and cracking down on other identity groups when in power. 'Postmodern conservatives largely come from the most privileged groups in history', it is stated, but this appears to mean white people in Western countries, not the truly privileged, the one percent, the capitalist class. At one point, post-modern conservatism is equated with right-wing populism, but this is not argued properly, nor is there any discussion of populist ideas in general. No suggestion is made that post-modern conservatism claims to be opposed to an elite, which is usually seen as a main tenet of populism.

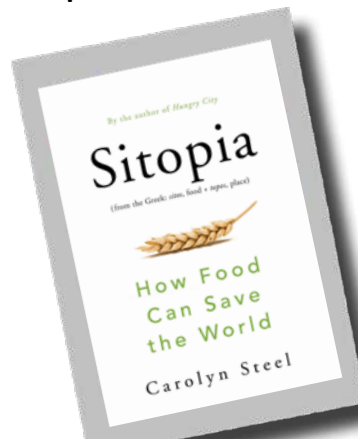
The last section of the book is a criticism of the ideas of Jordan Peterson, such as his views on 'post-modern neo-Marxism', which illustrates the kind of jargon found not just in these pages but in many of the

writers discussed here. One good point is made: that Lenin and Mao launched their revolutions in poor developing countries, in contrast to Marx's view that communism required the means of production to be highly advanced. The final article, by Borna Radnik, refers to the abolition of private property but notes that the Left have failed to propose an alternative to capitalism. To which we can only say, never mind the Left, look at the publications of the World Socialist Movement.

And as for what is meant by the hugely tremendous times mentioned in the subtitle, the book is silent.

PB

## Food production for human need



Carolyn Steel: **Sitopia. How Food Can Save the World.** Chatto and Windus. 2020

In 2008 Carolyn Steel published *Hungry City*, a book that explored how, since early times, people in cities found food for themselves, what that food was and how it influenced their history and development. Now the same author has written another substantial and more 'political' volume, in which she ranges expertly across both time and geography to trace the history of food, its consumption and its intersection with the concept of nature of work. *Sitopia. How Food Can Save the World* draws upon wide-ranging and well-integrated research to show the history of homo sapiens as largely one of group cooperation and human beings as natural collaborators and 'infinitely inventive and adaptable'. Her clearly expressed desire is to see a world in which adequate resources for a decent life can be available to all.

This is something she sees as eminently possible, pointing out that enough food is already produced to feed everyone on the planet, since 'farmers worldwide currently

provide the daily equivalent of 2,800 calories of food per person – more than enough to go round, given an ideal food system'. She also refers to Tristram Stuart's book, *Waste*, published in 2009, which illustrates ways in which one third of the global food supply could be saved, enough to feed the world's hungry 23 times over. However, the reservation implicit in her 'given an ideal food system' is made clear when she shows how far from ideal the system of food production is in modern-day society. She explains how, in its drive to produce and sell food at a profit and its compulsion to grow and continually expand, capitalism's combination of industrial agriculture and market forces, while making food as cheap as possible through the need of producers to compete, fails to take into account the wider costs, for example to the environment and to human health. She sees food production as an integral part of the scenario whereby the whole future of humanity is threatened by ecological destruction, climate crisis and increasing obesity. But at the same time food for the author is a potentially important means to remedy the situation. She says: 'If we are to free ourselves from money's grasp, we need a way of thinking that transcends it: an economy based on values grounded in reality. Food can give us this.' That, in her view, is the case because food is, as she puts it, 'by far the most powerful medium available to us for thinking and acting together to change the world for the better'. She goes on to say: 'Descartes might just as well have said: "I eat therefore I am"'.

So, while recognising that existing resources are not in themselves a limiting factor to a better life for everyone, she also sees it as vital to ensure that ecological considerations and environmental balance are in the forefront of any such project. As she puts it: 'We already know how to feed the world, warm our houses and cure disease; what we lack is the capacity to put our ideas into effective practice.' She goes on: If our goal is to create a world in which everyone can flourish, then our common task must be to plan what form such growth would take.' She then reveals that she has a plan ('Plan B', as she calls it), the centrepiece of which is non-industrially, cooperatively, locally produced food: 'local sustainable production, ecologically produced organic food in which the market would favour foods that nurtured nature, animals and people'. In this context she mentions, for example, organic box schemes, community kitchens and gardens, forest gardens, microbreweries and bakeries, food co-ops and community supported permaculture.

Steel sees the spread of such activities as a response to what she calls 'the blandness and destructiveness of industrial food' and goes on: 'It is also symptomatic of something

far deeper ... Food is something we can make, that brings us together and grounds us ... Food, in short, is something through which we can root ourselves in the world, both socially and physically.' She continues: 'Since food affects virtually every aspect of our lives, adopting such an economy would have an immediate, even revolutionary effect. By changing the ways in which we produce, transport, trade, cook, share and value our food, we could transform our landscapes, cities, homes, workplaces, social lives and ecological footprint. She argues that society should aim for a low or zero-carbon steady-state organic system of production of food and other goods and is especially concerned by the loss of biodiversity caused by capitalism, seeing it as an even greater threat to life on earth than climate change. As she puts it, 'everything in nature is connected' (quoting Darwin's insight), and 'in order to live, we must manipulate nature, yet must seek to do so without diminishing it'. She is hopeful of progress too, comparing the new food movement to 'a deep ocean current: invisible on the surface, yet steadily gathering pace and strength to the point where it can effect real change'.

For the change in society which would bring this about, her political prescription is an avowedly anarchist one. She declares support for what she sees as the vision of anarchist thinkers Proudhon and Kropotkin, a vision characterised as 'small groups of territorial collaborators without formal leaders, a society whose very existence depends on common ownership'. However, to achieve it, she sees the need for 'a social vision that transcends the fatal duality of neoliberalism and totalitarianism, one capable of engaging with and connecting with us at every scale from local to global', since 'anarchism's core message, that we should embrace democracy while sharing our goods more in common could not be more apposite', and, 'by accepting our duty as political animals ... we can become more effective, empathetic, fulfilled social beings'.

Despite the author mistakenly equating Marxian socialism (or communism) with the authoritarian state capitalism of countries like Russia and China, there is a lot in her book that socialists can agree with. Examples of this are her trenchant critique of capitalism and its contradictions, her insistence that humans are a collaborative species, her liking

for 'common ownership' and her desire for a society of 'empathy, equality and ecological longevity'.

It is only a pity that she doesn't quite go far enough and, despite recognising and condemning the iniquitous and socially divisive effects of money and the market ('for most of human history money didn't exist ... humanity had social bonds instead'), she allows her imagination to be limited by the idea that money and the market are nevertheless somehow inevitable, at least on some level, and bases her project on the hope that that they can somehow be made to work against their inbuilt nature, i.e benignly and cooperatively. We would obviously disagree that this was possible. Only in the kind of moneyless, marketless society of free access and voluntary cooperation advocated by socialists can food production, and indeed all other production, take place in a truly cooperative, balanced and human-centred way. Only in that kind of social context will it be possible, as the author puts it eloquently as ever, 'to reimagine the landscape as a canvas for human flourishing'.

**HOWARD MOSS**

## The Socialist Party's Summer School

# Technology

**7th - 9th August 2020  
on the SPGB's Discord server**

The Socialist Party's 2020 Summer School looks at technological progress and its application in the past, present and future. This weekend of talks and discussion is an exciting opportunity to share and explore revolutionary ideas with others, through the SPGB's Discord server. From the development of the first tools and the wheel through to the invention of the printing press, the steam engine, the microprocessor and beyond, technology has always shaped how we live. Scientific developments take place in the context of the social and economic conditions of the time. In capitalism, technological progress and how technology is used are driven by what is profitable and cost effective more than by what is really needed and wanted. This means that technology is often used in ways which go against our best interests, whether through environmental damage, the development of ever-more destructive weapons or the misuse of data gathered online and through social media. In a future socialist society based on common ownership and democratic organisation of industries and services, technology could really be used to benefit us, in harmony with the environment.

To join in or for further information, e-mail [spgbschool@yahoo.co.uk](mailto:spgbschool@yahoo.co.uk). Details of sessions will be announced soon.

# 50 Years Ago

## What about Vietnam?

Of course we would not have the workers and peasants of Vietnam exploited by French colonialism. Nor do we say that the people of South Vietnam should put up with the series of corrupt American-imposed governments there. We are fully aware of what the world capitalist system has done, and is doing, to the people of Vietnam. The question is, however, how to deal with this: Is it by supporting the rise to power of a new state capitalist ruling class or is it by struggling to establish world Socialism?

The Socialist Party of Great Britain argues that capitalism (including the state capitalism of Russia and China) as a world system has become reactionary and that it has no progressive role to play anywhere in the world. This is because Socialism, the next stage in social development which will involve the emancipation of all mankind, is possible. Only Socialism

is progressive, and this alone is what workers every where should strive to establish.

We do not deny that the NLF in Vietnam is carrying out land reforms and other changes necessary for the development of (state) capitalism there. What we do challenge is the assumption that, now Socialism is possible, Socialists should support this. What workers everywhere should be striving for is Socialism, not national state capitalism.

Our correspondent's final paragraph is typical of the self-righteousness of many of our critics. Because Socialists do not support their pet struggles we are accused of being unconcerned

about the suffering capitalism causes human beings. We could turn the tables on them by saying that in concentrating on single issues it is *they* who are prolonging the suffering capitalism brings by diverting attention from the struggle to overcome it.

Note also that our position is to oppose both sides, not neutrality as our correspondent suggests.

*(from a reply to a letter, Socialist Standard, June 1970)*



## SOCIALIST PARTY OFFICIAL LOGO T-SHIRTS £12 Including UK P&P\*

Printed on 100% cotton and available in black, purple or red with the official Party logo and short web address in white. Available in M/L/XL/XXL (while stocks last). £10 if collected from Head Office.



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\*Overseas orders (and enquires): Please email for a price first with 'T-Shirt Order' in the subject line to [spgb@worldsocialism.org](mailto:spgb@worldsocialism.org)

Mailing bags recycle with supermarket carrier bags

# Meetings

All meetings/talks/discussions are currently online on **Discord**.  
Please contact the [spgb@worldsocialism.org](mailto:spgb@worldsocialism.org) for access to this.

## JUNE 2020

### Tuesday June 2, 3.00 p.m.

FAQ Workshop  
Human Nature

### Thursday June 4, 3.00 p.m.

FAQ Workshop  
Who Will Do the Dirty Work?

### Friday June 5, 7.30 p.m. – 9.30 p.m.

Friday Night Talk  
Priti Patel's Attack on Immigration

### Tuesday June 9, 3.00 p.m.

FAQ Workshop  
The Population Problem

### Thursday June 11, 3.00 p.m.

FAQ Workshop  
Why Do You Contest Elections?

### Friday June 12, 7.30 p.m.

Friday Night Talk  
The History and Ideas of the Socialist  
Standard

### Monday June 15, 8.00 p.m.

Socialist Standard – Meet the Writers

### Tuesday June 16, 3.00 p.m.

FAQ Workshop  
Nationalist Liberation

### Thursday June 18, 3.00 p.m.

FAQ Workshop  
The American Dream

### Friday June 19, 7.30 p.m.

Friday Night Talk  
To Be Announced

### Tuesday June 23, 3.00 p.m.

FAQ Workshop  
What Have You Got Against Religion?

### Thursday June 25, 3.00 p.m.

FAQ Workshop  
How Would Democracy Work in  
Socialism?

### Friday June 26, 7.30 p.m.

Friday Night Talk  
To Be Announced

### Every Thursday, 8.00 p.m. – 10.00 p.m.

General Socialist Discussion

## 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

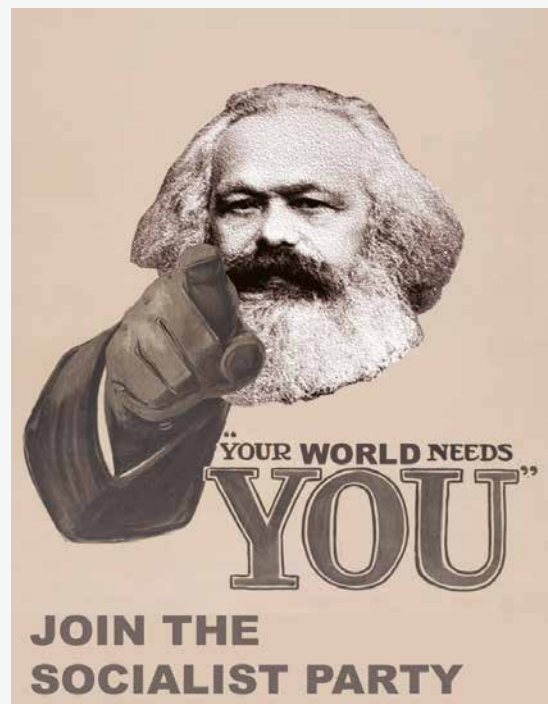
The Socialist Party of Great Britain holds

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.





## 'Will COVID-19 Make Us More Socialist?'

This is an intriguing question, one which a recent article (blogs.scientificamerican.com, 20 April) attempts to answer. The first paragraph provides this curate's egg: 'The system I have in mind would be fully democratic, unlike China, and it wouldn't abolish capitalism, which even China has embraced. It would simply give more to those who need it and take more from those who don't'. Identifying China as a (state) capitalist dictatorship rather than communist or socialist is welcome, but yet another recipe from the reformist cookbook less so. The author opines that 'governments should ensure that all citizens have adequate food, housing, healthcare, energy and so on. 'Such thinking is utopian, As one commentator noted you '...can't have it [socialism] in capitalism'. Science itself has become bourgeois and is dependent upon capitalism for its operation and expansion. In 1850s America a Dr Cartwright identified a condition, drapetomania, that caused black slaves to flee plantations. Russian psychiatrists famously aided Stalin by diagnosing dissidents as insane. Contemporary examples include the sociobiology of E.O. Wilson and Steven Pinker's evolutionary psychology. Scientific socialism, by contrast, provides an analysis of the capitalist system that explains how wealth comes to be produced and



distributed and who gets what from the pool of social production. It is able to place this in an historical context showing the development of its productive relationships from past systems. It is also able to define the economic limitations of political action within the system and reliably predict the results of various political policies.

### Strike – for what?

'On Friday, May 1, an ongoing General Strike campaign begins.... COVID-19 exposes the fact that essential workers who provide food, healthcare, and deliveries to our homes are mistreated and underappreciated. Workers are underpaid and are not being provided with protective equipment or allowed sick leave. The COVID-19 rescue laws have given trillions in funding to investors and big businesses while leaving people and small businesses with crumbs' (popularresistance.org, 26 April).

'The #GeneralStrike has five demands:

#### '(1) Protection from Covid-19'

This is more Utopianism: 'Coroners have been told that inquests into coronavirus deaths among NHS workers should avoid examining systemic failures in provision of personal protective equipment (PPE)... Mark Lucreft QC, the chief coroner for England and Wales, has issued guidance that "an inquest would not be a satisfactory means of deciding whether adequate general policies and arrangements were in place for provision of PPE to healthcare workers"' (theweek.co.uk, 30 April).

#### '(2) Safe Housing.'

Clean, dry, warm, safe, decent housing is a fundamental human need. Capitalism has never placed that need very high up its list of priorities. History makes that sad fact abundantly clear.

#### '(3) Living Wages.'

Workers always have a struggle to get by and always have to fight to keep up their living standards.

#### '(4) Medicare for All.'

As our companion party in the US puts it in their pamphlet *Revolution, Not Reform*: 'Rather than focusing our energy on developing medications that will make money, we could finally focus on finding cures to every disease possible. Rather than patients having to pay outrageous amounts of money just to stay alive, everyone will have free access to whatever medications or treatments they need. No outlandish debt for ambulance rides, insulin, sleeping pills, you name it '.

#### '(5) Equal Education.'

Schools take into compulsory custody millions of innocent children, dull their imaginations as best they can, force them to suck up quantities of second-hand information, qualify some for entry into other institutions, and commit the rest to a lifetime of servitude and hard labour. In a conveyor belt world dominated by competition they can operate in no other way.

### Capitalism is THE pandemic

Capitalism has eradicated rinderpest and smallpox, yet its driving force is the pursuit of profit not health. Neglected tropical diseases (NTDs) are aptly named as they are largely confined to members of our class living in Africa, Asia and the Americas. The eradication of NTDs is possible but not profitable. Mainstream media focuses almost exclusively on a pandemic that has killed 245,000 people over five months rather than the 25,000 who die every day from unnecessary starvation, the 3,000 children who die every day from preventable malaria, and the 10,000 people who die every day because they are denied healthcare. COVID is exacerbating inequality, but we must not be panicked into believing that the threat is greater than it is: '...estimates from cities in Europe and a study by the University of California, Berkeley, put the virus's death rate at between 0.19 and 0.5 per cent. In comparison, the death rate of flu is thought to be around the 0.1 per cent mark' (dailymail.co.uk, 28 April).

## FREE LUNCH

