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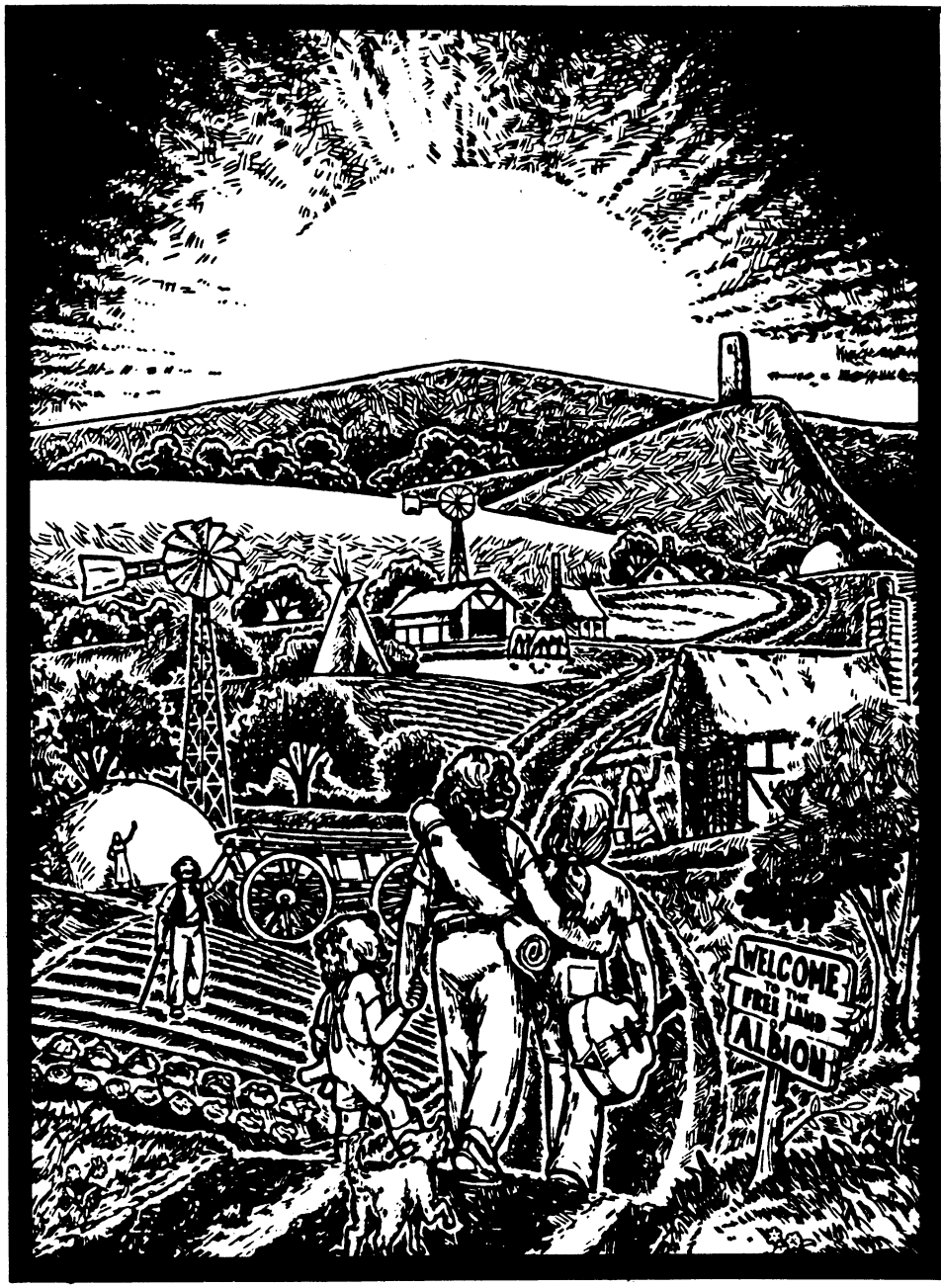

working within the system

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Socialism: The Basics

Capitalism is the social system which now exists in all countries of the world. Under this system, the means of production and distribution (land, factories, offices, transport, media, etc.) are monopolized by a minority, the capitalist class. All wealth is produced by us, the majority working class, who sell our mental and physical energies to the capitalists in return for a price called a wage or salary. The object of wealth production is to create goods and services which can be sold on the market at a profit. Not only do the capitalists live off the profits they obtain from exploiting the working class, but, as a class, they go on accumulating wealth extracted from each generation of workers.

Profits Before Needs

With its constant drive to serve profit before need, capitalism throws up an endless stream of problems:

◆ Most workers in the United States feel insecure about their future; the proportion of people living below the official poverty line was 13.6 per cent in 1986.

◆ Even though rooms go empty for lack of (paying) tenants, many people are homeless or inhabit slums.

◆ Though science has made it possible to live longer, old people are lonely, undernourished, routinely abused, neglected and denied adequate medical care.

◆ Food is destroyed and farmers are subsidized not to produce more, yet many millions here and abroad are malnourished or starve outright.

◆ Hospitalization costs skyrocket as a result of investments in expensive new facilities: yet it is not "economically viable" to provide decent health treatment for all.

◆ Homosexuals and racial or ethnic groups are singled out for social and economic discrimination and outbursts of bigotry. Women have to defend the right merely to be exploited equally.

◆ Better and faster ways to fight more destructive wars have placed the world on a permanent war footing.

As long as capitalism exists, profits will come before needs. Some reforms are welcomed by some workers, but no reform can abolish the fundamental contradiction between profit and need which is built into the system. No matter whether promises to make capitalism work in the interests of the workers are made sincerely or out of opportunism, they are bound to fail, for they amount to offering to run the slaughterhouse in the interests of the beef.

Why not nationalize industry? That would simply mean workers were exploited by the state acting on behalf of the whole capitalist class rather than by an individual capitalist or company. Workers in a nationalized General Motors would be no less the servants of profit than they are now, when a supposedly "private" board of directors makes all the big decisions. Nationalization is state capitalism--it is not socialism.

The so-called socialist countries are likewise systems where a thoroughgoing nationalization has been put into effect. In Russia and its empire, in China, Cuba, Albania, Yugoslavia and the other countries which call themselves socialist, social power is monopolized by privileged Party bureaucrats. All the essential features of capitalism are still present. An examination of international commerce shows that the make-believe socialist states are part of the world capitalist market and cannot detach themselves from the requirements of profit.

In fact, socialism does not exist anywhere--yet. When it is established, it must be on a worldwide basis, as an alternative to the outdated system of world capitalism.

In a socialist society:

◆ The earth's inhabitants as a whole will exercise common ownership and democratic control of the earth's resources. No minority class will be in a position to dictate to the majority that production must be geared to profit. There will be no owners: everything will belong to everyone.

◆ Production will be solely for use, not for sale. Everyone will have automatic free access to goods and services. The only questions society will need to ask about wealth production will be: what do people require and can their needs be met? These questions will be answered on the basis of the resources available to meet them. Unlike under the present social arrangements, modern technology and communications will be usable to their fullest extent, and society will actually be able for the first time to calculate the requirements of production and consumption as a function of the ecosystem.

◆ On an individual scale, nothing short of the best will be available: a society based on production for use will end the cycle of poverty and waste because its first priority will be the fullest possible satisfaction of needs. People will be able to observe without difficulty the basic socialist principle--to give according to their abilities and take according to their self-defined needs. They will work on a basis of voluntary cooperation, having abolished the coercion of wage and salary work. They will not have to engage in buying or selling, since money will not be necessary in a society of common ownership and free access.

◆ Without national currencies to sustain them, national boundaries will become unenforceable, and national budgets will become quaint mysteries to future generations. For the first time ever the people of the world will have common possession of the planet earth.

Human Nature...or Human Behavior?

Human behavior is not fixed but is determined by the kind of society people are conditioned to live in. The capitalist jungle produces vicious, competitive, shortsighted ways of thinking and acting. But we humans are able to adapt our behavior and there is no reason why our rational desire for

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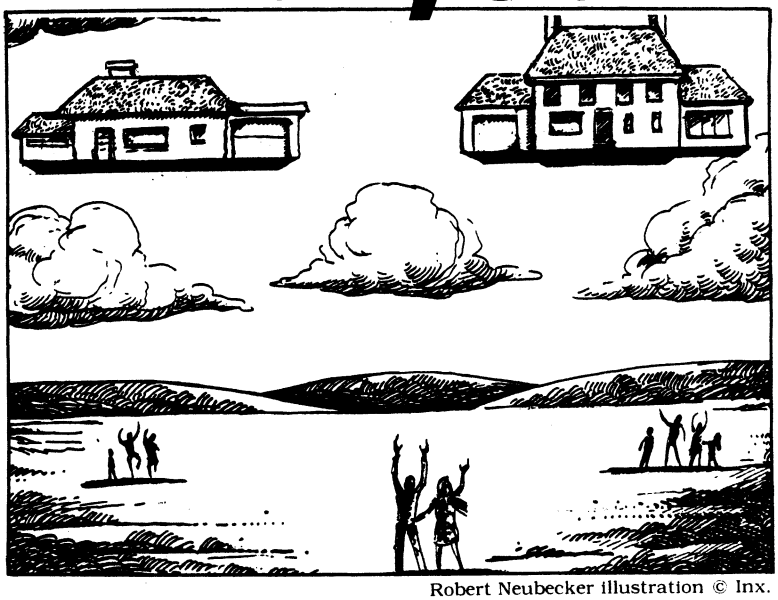
Potless, U.S.A.



Robert Neubecker illustration © Inx.

THE DRIVE FROM THE WHITE HOUSE to radio station WAMU takes about 20 minutes and passes from the mansion provided as the presidential residence of a retired millionaire B-movie actor through some of the worst slums I have ever seen. It is hard to believe that human beings inhabit some of the squalid dwellings of downtown Washington DC. There are not supposed to be poor people in America: it said nothing about them in the brochure. This is the land of the affluent workers, isn't it? Richard Montague from Belfast, a city notorious for its slum areas, sighed. "Now, this is what I call a ghetto," he said. "Worse than the slums we have at home." 80 per cent of the population of the US capital city are black workers, mainly employed in the low-wage service industries, mainly housed in the kind of rotten conditions which the tourists do not go to see.

Sitting in the radio studio was Fred Fiske, presenter of Washington's most prestigious phone-in program. A man given to talking a lot about "the genius of American capitalism"; a bully with a reputation for putting callers straight--a bigot with a microphone. For two hours Montague and I debated the case for world socialism, repeatedly confronting the confusion and distortion of our host's capitalist tunnel-vision intellect. It was a good two hours: the man who was going to put us reds in our place was put in his place. At the end of the show, as we were leaving, the news came on: four people dead, 15 injured after a tenement building in the South Bronx of New York collapsed. Ah, the genius of American capitalism.

On the road from Washington to Charlottesville, Virginia are dozens of caravans [trailer homes]. Holiday homes for American workers seeking a break in the countryside? Not at all. These were the homes of families too poor to live anywhere but in run-down vans on the side of the road. As the recession hits the USA harder and unemployment rises in the cities, this is the fate of many an American worker.

Slums in America? Homeless in America? Can this be possible in the land of the free? Not according to Professor Bornhofen, an economist whom I had the pleasure of debating against in Michigan on the question, "Capitalism vs. Socialism." In stating the case against capitalism I referred to workers too poor to afford shelter: 100,000 officially homeless in Britain and who knows how many more in the USA? With all of the eloquence and erudition which one would expect from a high-salaried apologist for the profit system, Bornhofen responded, "That's a lot of crap. Why, I doubt if there are more than 1,000 homeless people in America." Well, if ignorance is bliss, Professor Bornhofen should have been one of the happiest men in Michigan that day.

No homeless workers in America--1,000 at the most? Let us turn to the rich oil state of Texas. According to figures published by the National Coalition for the Homeless, there are 25,000 homeless people in Houston alone. The city devotes not a single dollar of taxes to building houses or providing for the homeless; the state of Texas is second only to Mississippi at the bottom of the league table for state provision of social services. One newspaper reports the situation in the following terms:

"In the chapel of downtown Houston's Star of Hope Mission sits a Saturday night congregation that is a cross section of the city's hard-core homeless. Tired old men are here in mix-and-match clothing from the mission closet. While the physically disabled set their sights on lower bunks, the mentally disabled engage in long conversations with no one in particular. Here, too, are groups of lean young men only a few days out of the Texas Department of Corrections maximum security facility...A few men in their 30s--new to the streets and ill at ease--talk to no one. All need a meal and a place to sleep.... The mission director reads from his list of randomly ordered numbers, and those remaining show their numbered bed-tickets and file out towards the 500-bed dorm. It's a place to sleep until breakfast call at 4:30 AM. In the huge converted warehouse the roof leaks and it's cold. Every man sleeps fully dressed. All of this, three meals and a bunk--offered by what is arguably the most generous men's shelter in the state--is provided without the expenditure of a single tax dollar. In Texas the homeless live off the kindness of strangers, not taxpayers." (In These Times, 4/8/87)

Homeless in Dallas

In Dallas, the city known in this country [Britain] from the TV soap opera in which everyone is either rich or very rich, there are 15,000 homeless people out of a population of one million. According to John Fullenwinder, the Dallas chairperson of the National Coalition for the Homeless, there were just under 43,000 forced-entry evictions in Dallas last year: a rate of 165 each working day. And that is just in two cities in one of the 51 states.

All of the other obscenities of working-class poverty exist in the illusory land of the free. Even the so-called affluent American workers are now caught in the trap of unemployment. The Department of Education has reported that 51 per cent of high school graduates not entering university are without a full-time job three years after graduation. Among 18-24 year-olds the Census Bureau has recorded a 50 per cent increase of those living in official poverty in the five years between 1979 and 1984. Not only are the poor becoming poorer but young workers who had been regarded as economically secure are moving ever more rapidly into the ranks of the officially poor.

Poverty in the USA breeds its own problems, not least of which is racism. When workers are being squeezed extra-hard so that the rich can get richer they soon turn on one another. Violence against American blacks has been on the increase; at the beginning of this year a gang of racists beat up three black men in the white suburb of New York called Howard Beach--one of the victims was murdered. In one area of New Orleans a sheriff has become a popular racist hero for threatening to arrest any blacks caught walking or riding through the white folks' town over which he presides. ("A New Racism," The Nation 1/10/87)

In the USA one per cent of the population own 40 per cent of all marketable wealth. That is 20 per cent more than they owned 20 years ago. In short, the super-rich are owning and controlling more and more and more. What they possess the overwhelming majority of Americans are excluded from possessing. The power of the capitalist minority is at the expense of the freedom of the wealth-producing majority to own and control the wealth which surrounds them. That is what capitalist freedom means--they own; we don't--they are few, we are many--they have privilege, we work like horses producing profits to feed that privilege. That is the freedom offered by "the land of the free."

--Steve Coleman
(Reprinted from the Socialist Standard)

SOCIALISM cont.

comfort and human welfare should not allow us to cooperate. Even under capitalism people often obtain pleasure from doing a good turn for others, and few of us enjoy participating in the "civilized" warfare of the daily rat-race anyway.

Many workers know something is wrong and want to change society. Some join reform groups in the hope that capitalism can be patched up, but such efforts are futile, because you can not run a system of class exploitation in the interests of the exploited majority. People who fear a nuclear war may join the Nuclear Freeze movement, for instance, but as long as nation states exist, economic rivalry will always be driving governments down the road to war.

Many sincere people get caught up in dedicated campaigns and good causes, but only one solution exists to the problems of capitalism, and that is to get rid of it as a system by replacing it with socialism. But to do that requires socialists, and winning workers to the cause of socialism requires knowledge, principles and an enthusiasm for change. Anyone can develop these qualities--but they are essential for anyone who is serious about changing society.

Changing the World

The World Socialist Party, as an educational influence on the working class, stands apart from all other political parties, whether Left, Right or "Other." It has no other aim than to establish a social order based on the satisfaction of human need instead of on private (or state) profit. The Object and Declaration of Principles found on page 12 date back to 1904 and were originally adopted here in the US about the time of the first world war. They have been maintained without compromise ever since. In other countries companion parties and groups exist to promote the same object and principles, and they too remain independent from all other political parties.

An authentic socialist party has no leaders. Ours is a democratic organization controlled by its members. We understand that only a conscious majority of workers can establish socialism. Workers must liberate themselves. They cannot be liberated by leaders, parties or gurus acting for them. Socialism will never become a reality through the actions of a dedicated minority "smashing the state," as certain leftists would have it. Nor do the activities of paid, professional politicians have anything to do with socialism--as we now know from the experience of numerous (successful) national liberation movements.

Getting out of capitalism means getting it out of our heads first. Once a majority of the working class understand and want socialism, they will take the necessary step of consciously organizing for the democratic conquest of political power. This does not mean administering capitalism on a plea of eventually implementing socialist principles (as in Russia). It does mean using the state to immediately set about dismantling the basic institutions of capitalism: wages, prices and profits.

Capitalism in the 1980s remains a system of waste, deprivation and demoralizing insecurity. You owe it to yourself to find out about the one movement that stands for the alternative to it: world socialism. Ø

The **World Socialist Review**

a voice of world socialism

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Fighting Over Money in Nicaragua

Taken by itself, sandinismo is hardly more radical than any program of minimum demands as it might be advanced by a Social-Democratic party. But what makes it seem progressive is its present head on confrontation with the United States. While US capitalists could live with the prospect of a declining share in the expanding Latin American markets (which they have been a major force in promoting), they are not about to give away any free capital to their emerging competitors.

It is also true that Sandinista capitalism rests on the new régime's support for the right of workers to organize in trade unions and cooperatives, and on its sympathy with demands for higher wages and better working conditions. The small and medium sectors of the Nicaraguan capitalist class reluctantly accepted the need for swallowing such a bitter pill as a price for replacing Somoza as the president of their Executive Committee. (Now they have to make do with Daniel Ortega.) Somoza's dictatorship was keyed to maintaining workers at below-subsistence levels so that Nicaraguan capital could competitively "insert" its coffee, cotton and other exports into the structure of international trade dominated by the United States.

The Sandinista Difference

The new Nicaraguan capitalism seeks to boost itself as an independent competitor in the world markets--spurred, it is true, by the multinational-inspired contrarrevolución. It cannot convincingly do so on the same grounds as those of its predecessor, since this would make the one indistinguishable from the other--"somocismo without Somoza." Speaking of the Sandinista philosophy of agrarian reform in Nicaragua: What Difference Could a Revolution Make?,' Joseph Collins argues that

> the Sandinistas' philosophy of agrarian reform is not anti-private property. Rather, the Sandinistas believe that the right to productive private property carries with it the obligation to use that property for the benefit of the society. Private property rights are guaranteed by the government but only if the owner is using the resource: owners letting their land lie idle, for example, will be subject to expropriation. [p 36]

(Observe how tenderly and solicitously they court the "business élite"!) If we are to accept the altruism implicit in this passage, both sides ought to confine themselves to negotiating short-term consensus agreements and leave the ownership question for posterity to deal with.

But the Sandinista slogan of "People before profits" obscures the reality of the low-level warfare inherent in the employer-employee relationship: the profit of the few--and only a few can authentically be capitalists --requires the poverty and wage-subservience of the many. The erstwhile beneficiaries of somocismo--those large landowners not believed to be the overt cronies of Washington's late S.O.B. --are unambiguous in their recognition of this; constantly accused of "decapitalizing" their holdings (not maintaining land and equipment, sending their capital out of the country, fraudulently obtaining agricultural loans in order to squander, hoard or expatriate the money), they have every reason to suspect that an insecure future lies in store for them.

The Revised Class Struggle

But they are really straw men in the class struggle now unfolding in Nicaragua. We can get a much better idea of how the modified class relations stack up under sandinismo from a random selection of statements in the above-mentioned book:

- [Quoting Xabier Gorostiaga, an official in the Ministry of Planning:] "80 per cent of agricultural production is in the hands of the private sector, as is 75 per cent of industrial production." The 20 per cent of agricultural production that does belong to the state is deliberately called 'Area of the People's Property, [of which] "the state is not the owner, [but] only the administrator" [Gorostiaga]. [p 36]

- [Decree No. 3, which nationalized nearly 2 million acres on approximately 2000 farms and ranches in 1979] left a full two-thirds of the farmland in capitalist hands... [Capitalists are] landowners large enough to hire labor or rent out their land, or both. These landowners are different from small farmers ("campesinos") who usually use only family labor. These small producers, unaffected by the confiscation decree, controlled less than 15 per cent of the nation's farmland. [p 31]

- Under Somoza, labor legislation included a $2.10-a-day minimum wage for agricultural workers. But few workers ever got it. In practice, wages typically ranged from 80¢ to $1.70 a day, except for skilled workers such as tractor operators....A few months following victory the new government boosted the minimum wage by 30 per cent. But because the government paid the minimum wage on state farms and attempted to enforce it elsewhere, the average rural wage may have gone up over 60 per cent. [p 69]

- While many agrarian reforms have started by giving land titles to tenants and sharecroppers, the Sandinista agrarian reform appears much more conservative. In regard to rent, it no more interferes with private property than do urban rent control laws in many "free enterprise" industrial countries. By making rents low and outlawing evictions the Sandinistas sought to provide secure tenure to poor campesinos while side-stepping the bugbear of private property. [p 37].

It becomes obvious in retrospect that the workers and peasants thought they were getting a capitalism stripped of its problems, in many (if not most) cases confusing this with socialism (a change in the basis of society). To them capitalism as such ran together with capitalism as they knew it under Somoza. The Sandinistas themselves knew, of course, that the real task would on the contrary have to be to integrate Nicaragua's national production into the capitalist world economy.[2] Since the Somoza régime stood so solidly identified with US imperialism, the ideological version of that world economy inevitably took an anti-imperialistic stance. And if there were any among the Sandinista leadership who really believed that socialism in Nicaragua was achievable within a worldwide framework of capitalist production, they were quickly disabused.

Now that Somoza and his National Goons have been demoted to the footnotes of history, the Sandinistas have no choice but to try to make capitalism function according to their model. After putting themselves on the winning side by incorporating the demand for land redistribution into their program, they suddenly discovered after the victory that land takeovers were not in the interests of creating a surplus for earning foreign exchange, so they (not altogether successfully) began to discourage peasant occupations.[3] Now they have realized that the wage levels will always be limited by the amount of capital available for paying wages and have accordingly taken steps to dampen wage demands for the duration. (Women still receive lower wages for the same work, although their situation is much improved--reflecting their participation in the revolution.)[4]

Profits, ¡Sí! Wages--Maybe

Tomás Borge, the last remaining founder of the original Sandinista Front, explained to the disgruntled unions that "without more goods....more money [for wage-earners] is no help."[5] That is, if the goods could not be produced at a profit, they would not be produced. And without increased production, there could be no question of wage increases. Printing more currency to serve as means of payment to workers would only inflate the currency, which would threaten to drive real wages down.

Capitalism in Nicaragua, hobbled by somocista underdevelopment though it has been, is no different in its essentials from capitalism anywhere else. It has markets, wages and profits; goods and services that are produced by a wage-earning class for sale at a profit on the market; wage-slaves and profit-masters. It is subject to the same restraints as capitalism elsewhere, as well as to a few others peculiar to it. And, as in other parts of the world, it cannot work in the interests of the working class, regardless of whether the state "intervenes" or "lets do."

It is the classic function of a party of the Social-Democratic or Labor type to agitate for reforms in behalf of both organized labor and unorganized working people. And like Social Democrats and Laborists around the world, the Sandinistas imagine that this trying to cope with capitalism is itself a socialist movement. Given their immediate goal of fitting a reformed Nicaraguan economy into a highly structured international system of capital accumulation, it comes as no surprise they could not afford to encourage a "land-to-the-tiller" agrarian reform.

No More Selling Or Buying

In a socialist (communist) society there could be no question of redistributing land so that small farmers could sell their produce on the market: there will be no buying and selling of anything. No one will have to "work for a living"; everyone will be able to get what they calculate they need as a matter of course. Neither the United States nor Nicaragua would even exist as nation-states in a socialist world (since it takes national currencies to sustain taxation, governments, states and national boundaries).

But the Sandinista philosophy doesn't so much as nod in this direction. It only offers a better deal for workers and capitalists; it represents a pact between exploited and exploiter. Lest, however, we should somehow manage to come away with the impression that sandinismo means marxismo or even comunismo, Jaime Wheelock, Nicaragua's minister of Agriculture, has set the record straight. Addressing the national assembly of the Farmworkers' Union (ATC) in December 1979, he rejected the notion that workers on state farms are wage laborers:

> They are producers of social wealth, and the consciousness of the producer is quite different from that of the wage laborer....He knows that each stroke of the machete is no longer to create pro-

/Cont. pg. 18.

SPAIN: Working on Felipe's Farm

The Socialist Workers' Party of Spain (PSOE) rode to power in February 1982 on the crest of a wave of optimism which had originated as far away as Paris, France, where the Socialist Party had won a sizeable majority in May 1981, at the same time electing François Mitterrand president of the republic. So for a few years the air was echoing with promises of reform from the French Alps to the Rock of Gibraltar.

Time passed, and the real implications of pseudo-socialism became apparent to French workers, who proceeded in 1986 to reverse their decision of 1981 by voting into office an alliance of the right grouped around the old Gaullist Jacques Chirac and his Rassemblement pour la République (although still largely excluding the fascist pedigrees of the National Front). In Spain, time also passed but pseudo-socialism continued its vogue. The PSOE was still peddling a home-grown version of "reindustrialization" and "restructuring" to working-class constituents as late as 1987. But serious trouble was brewing, and it broke through the surface early last year, beginning with nationwide worker and student strikes similar to those in France beginning in late 1986.

What explains the mysterious patience of the Spanish workers? Part of the answer lies in the political names that have gained currency over several decades of class struggle in Spain, and part lies in the naïveté or forgetfulness of the post-Falange generation. The PSOE has a long history of silent metamorphoses: creeping reformism under Pablo Iglesias[1] was defended, Kautsky-fashion, up through the Civil War as being compatible with achieving an ultimate goal of social revolution. It became the redoubt of Republicanism in Spain in its efforts to repress the Franco rebellion and subsequently in its efforts to survive the Franco repression.

Enter the González Team

When the "Felipe González team" took over as the dominant current within the party in the early 70s however, any remaining pretext of basing party policy on Marxian principles was quietly scrapped--even as the theoreticians continued to trumpet the party's "methodological" credentials[2]. The "socialism" which workers would be voting into office a few years later was no longer even rhetorically related to their interests as a class.

It was trickle-down economics with a leftwing accent, revamped in its language so the "little people" could understand it: with the PSOE in charge, profits would be made to serve the interests of the wage-earning majority; industry would expand, jobs would become at once easier to find and better-paid. This was formula Mitterrandism; and the PSOE, for its part, had absolutely no trouble repudiating its own principles as even a nominal basis for action. It accomplished belatedly in practice what German Social Democracy had done back in the 50s out of theoretical considerations--it opted outright for administering capitalism in an "enlightened" and progressive manner.

Things seemed to go well for it at first. As long as the government could sell workers on the belief that what was good for the peseta was good for them, it could excuse its failures as mere bad luck. And as long as it could keep workers quiet--organized labor especially--the government could count on the confidence and support of the capitalist class. But something went wrong:

> In last year's election campaign, the Socialists talked too blithely of improving the workers' lot. Given the state of the Spanish economy, with an uncomfortably high inflation and one of the worst unemployment rates in Europe, that was imprudent. [The Economist, 6/6/87]

"Disappointed by what the government has been able to achieve since the election," the writer goes on to say, "hundreds of thousands of Spaniards...have been coming out in a rash of strikes this year."

Socialism with a Capital "C"

From the standpoint of the unions, however, the government's perplexing fascination with prolonging what was justified as a phase of belt-tightening[3] was not really the straw that broke the camel's back. It was rather the irrefutable evidence (if any was actually needed) that the PSOE had definitively abandoned its identification with people who work for a living, shifting its priorities from eventually redistributing wealth to maximizing profits--at once. [El País, 10/26/87.]

It was precisely the government's laborite mask, in fact, that initially shielded it from the reaction ac-

corded to the right in Germany and France. But, as an earlier Economist article put it, "the tolerance [began] wearing a little thin" [3/1/86], so that it was a "non-labor" issue--the struggle of the students against the government's proposed educational measures, as in France--that acted as the catalyst for labor's unhappiness.

> The burst of teenage political activity caught the government by surprise and was greeted with delight by the UGT which provided Nueva Claridad [the organ of a militant student tendency] and the student union with printing facilities, meeting rooms and funds. [New Statesman, 4/24/87.]

This went well beyond the often-lackluster support which labor officials had displayed toward the student movement in France. The motivation was the same; students had "virtually lost hope of finding a job." [New Statesman]

While it is true that the right is presently in a state of disarray, this does not preclude its becoming suddenly inflated with disgruntled working-class votes. Neither worker nor student organizations want to go too far in criticizing the González régime: the UGT's Secretary General, Nicolás Redondo, "nevertheless intends to stay on as a member of the party's federal committee in order, he says, to 'vote against and criticise party decisions.'" [The Economist, 10/31/87.] (He gave up his seat in parliament last October 20th to protest what he saw as the government's "putting employers' interests before those of the working class.")

Wasting Their Votes

The Economist's money-colored truisms apart, however, wage slavery can never be in the interest of the working class. Something can only be in your interest if you gain an advantage as a result of it. The capitalist class has an unmistakable interest in the wages system in whatever form works best, but the working class can only find in it a provocation to be endured.

Perhaps this is the face of the future--where it becomes the norm for governments to be composed of parties professing a socialist ideology, a progressive outlook, even having radical credentials, and having to turn ruthless in defiance of their own cherished theories once in office. Workers have had more than their share of false friends and fake fights since Marx first advised the working class to go for the jugular and abolish the wages system.

It takes no small degree of disillusionment with that system to ask the exasperated question: What difference is there between electing representatives to power to have them manage your exploitation and having to suffer the election of those who make no secret of their ambition to do the same? The left can't please its constituents any better than the right, and now--in addition to the well-documented evidence provided by Britain's Labour Party that capitalism cannot be managed in the interests of anybody but capitalists--the mounting wreckage of more impressive movements on the Continent (the PS in France, PSOE in Spain) renders the verdict compelling. It remains only for workers everywhere to accept that verdict.

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1. Iglesias was one of its founders and its longstanding General Secretary who was also its first elected deputy in the Cortes or parliament. During his life, reformism (the ascendancy of the "minimum program") was never formally accepted as a basis for party policy, as it had been in Germany.
2. Examples of this divorce abound in a 1976 paperback, Partido Socialista Obrero Español, published as part of a "political series" celebrating the demise of the Franco system.
3. El peso del ajuste económico--the burden of economic adjustment--in the words of Nicolás Redondo, UGT (Workers' General Union). [El País, 10/26/87]

RECOMMENDED READING

Socialist Principles	$.30
Questions of the Day	.90
From Capitalism to Socialism: How We Live and How We Could Live	.70
Socialism as a Practical Alternative	.40
A World of Abundance	.30
Women and Socialism	.70
Socialism & Trade Unions	.55
The Strike Weapon	.60
Historical Materialism	.40
Socialist Party and War	.40
Is a Third World War Inevitable?	.40
Ireland Past, Present and Future	.55

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Poverty as a Living Standard

There are those who take the position that life is getting progressively better, that only a minority experience severe poverty, and that the standard of living for the majority, while being far from perfect, is nevertheless improving all the time. Further, with the help of proper leadership, certain reforms, and the grace of the Good Lord, the system under which we live, capitalism, affords mankind the best of all possible worlds.

We register an absolute disclaimer to this approach, because not only is it untrue and unrealistic, but it promotes a toleration that hampers scientific investigation of the case for socialism.

Being Poor

From a socialist standpoint poverty can be defined as the economic, social and living conditions of the working class as compared to those of the capitalist class. It is the contrast between the environment experienced by the working class who, in order to live, have to work for wages, because they are propertyless in the means of production and distribution, and the completely different economic circumstances and environment of that small section of society, the capitalist class, who live on rent, interest and profits and are the owners of the means of life. Viewed from this position the working class must always experience poverty as compared to the wealth and luxury enjoyed by their employers. No political party, no brilliant leadership, can ever change this fundamental situation within the confines of the present system.

The other yardstick is the one used by the government to define poverty, which relates to a certain wage level at any particular time. Under this guideline all families with incomes below a certain figure are living in poverty. This is a misleading approach because it only reveals part of the story, but the ascertainable information that it produces is nevertheless always awesome and frightening.

The United States Census Bureau on September 25, 1976 verified 25.9 million persons lived in families that were below the government-defined poverty level of $5500 for a nonfarm family of four. The poverty level was up, due to inflation, from $5038 in 1974. The number of people in poverty was the largest since the 27.8 million in 1967, when the poverty level was $3410. The Census Bureau said that more Americans slid into poverty in 1975 than at any time in the 17 years that the government has been keeping track.

The phrase, "standard of living," should encompass a broader field than consumer goods and services. Your standard of living is obviously affected by the quality of the air you breathe; the security or otherwise of your means of livelihood; the effect on your mental and physical health that living conditions under this society produces; the quality of education and public information; the exposure to crime and violence, both in the real world and the one on television. And surely our standard of living is most horribly and adversely affected by the most dangerous and devastating threat with which mankind has ever been confronted--the possibility of a worldwide nuclear war that could completely annihilate the human race. As far as I am personally concerned my standard of living is most certainly contaminated by the potential horror of nuclear warfare, which has been unleashed on two occasions in the bombing of Nagasaki and Hiroshima.

Working for a Living

Dealing with the consumption of commodities, the working class are limited in their access to wealth by their wages, which are a monetary payment for the sale of labor power. Workers can never afford to purchase back the values that they produce--if they could, the capitalist class would be deprived of their livelihood, because it is on the surplus value, produced over and above the wages paid, that the employing class live.

The commodities purchased by the workers have been manufactured and distributed primarily for profit; their use value is incidental to the reason for their creation. The worker, therefore, comes to the market place first, with a wage that prevents him going beyond a very limited figure, approximating to his costs of production as a worker; second, he finds himself confronted with goods and services that, because they have been produced for profit, are of inferior quality.

The market place is concerned with the realization of profit; quality is sacrificed accordingly in order that sales can be effected in price ranges to meet the pocketbooks of the purchasers. The loaf of bread, the automobile, the house, are all produced not primarily to satisfy needs, but to produce profits. The result is always a conglomeration of substandard products. Food that has been processed and chemicalized so that deterioration will be retarded should sales not be made fast enough; and products made as cheaply as possible, many with built-in obsolescence.

A Decent Standard of What?

The worker is legally robbed in the field of production by only receiving back a portion of the values he produces in the form of wages; then, when he goes to the market place, he generally gets what he pays for, but because of his limited purchasing ability he receives not the best that can be produced, but products that come nowhere near the quality that could, under a sane society, be attained. This, then, is the poverty that the working class must endure. The owning class, however, can afford the very best that can be produced. The rich and the super-rich enjoy a life that bears no resemblance to that of the workers.

In actuality the term "standard of living" is a misnomer--it is really a "standard of poverty."

Poverty is shopping in the supermarket and buying food not of top quality because you are operating within the limitations of a

wage packet. Poverty is buying clothes and living in dwellings, again of inferior quality, because you cannot afford to go beyond your budget. Poverty is going on vacation and putting up with second rate mass transportation, accommodations and food, because these commodities are produced for the specific consumption of wage workers. Poverty is having to save for a so-called rainy day--the rich don't save: they accumulate--there is a vast difference. Poverty is having to spend a lifetime scrimping to get by, as glorified scavengers ever seeking cheap, inferior merchandise in order to survive.

Poverty does not exist because the capacity for producing and distributing wealth is insufficient. Wheat and coffee have been burnt while millions starved; fish thrown back in the sea because it was not profitable to sell; potatoes dumped in order to maintain prices; factories closed and houses not built while millions need jobs. All this as a result of over-production! Poverty exists because it is inseparable from capitalism. The wages system and the ownership of the means of production and distribution by a minority prevent the minority from enjoying the fruits of their labor.

Chronology of Poverty

Chronologically let us consider some facts concerning poverty and the so-called standard of living:

President Roosevelt in a speech made April 20, 1937, said, "I see one-third of a nation ill-clad, ill nourished. I see millions lacking the means to buy the products of farm and factories."

In a news item January 6, 1947 the examination of military recruits for the US Army revealed more than one third were physically unfit for service, and in certain parts of the southern states 35 per cent of the patients were found to be suffering nutritional anaemia.

In 1949 there were 10.5 million families with incomes of $2000 or less.

Former President Kennedy spoke of 17 million hungry Americans, and when he supported Medicare for the aged he said that the average American worker retires with $3000 of assets.

Fortune magazine in 1964 said "that in March 1964, more than six million people live in families whose incomes are so low that they qualify for free food from the federal government, that 7,300,000 Americans live in housing classified as dilapidated, and that there are nearly two million families who scrape by on cash incomes of less than $1000 a year."

The Citizens Board of Inquiry into Hunger and Malnutrition in 1968 stated that 30 million Americans go hungry while 10 million of them are actually starving.

The New York Times Magazine, March 22, 1970, in an article refers to "...hunger that is so widespread and perpetual--affecting the health and welfare of at least 20 million people..."

This is in America! Further, in the same article, "By count of the Office of Economic Opportunity (which is always conservative in such tallies) there are at least 1.3 million Americans who have no income, not a penny. The experts who estimate these things believe that in the crannies of the slums and behind the hedgerows of rural America, another six million or more exist on less than $300 a year."

Unemployment

In June 1975 unemployment in the United States was 7.9 million.

In September 1975 the number of unemployed in 18 European countries, the US, Canada, Japan, Australia and New Zealand jumped to an estimated 17.1 million, according to statistics compiled by the International Labor Organization (ILO). This revealed an increase of 6 million from a year earlier, and the figure represented both the largest total, and the largest 12-month increase recorded by the ILO in the past 40 years.

In 1976 we were told that we had 7.8 per cent unemployed.

As reported by the US Census Bureau on September 26, 1976, and as already mentioned, not only were there 25.9 million persons living in families earning less than $5500 a year, which is the government-defined poverty level, but the average wage of factory workers in 1975 was $163 per week, the minimum federal wage of $2.30 an hour represents $92 for a 40-hour week, and the average payment to retired workers on Social Security in 1975 was $206 per month.

We suggest that these figures might well indicate that at the present time in the United States approximately 25 million people are going to bed hungry every night.

On August 20, 1980 a report from Washington (UPI) stated: "The World Bank estimated this year 780 million people throughout the world are living in 'absolute poverty.' It described this as 'a condition of life so characterized by malnutrition, illiteracy and disease as to be beneath any reasonable definition of human decency.'"

And so we can speak in general terms about poverty and the so-called standard of living, and in specifics and statistics. But in the final analysis workers must be the judges and draw the conclusions. Surely the evidence is all around us, and we are all engulfed in it to such an extent that most of us are not as yet able to appreciate our own predicament, because the poverty that always stalks us, together with the capitalist propaganda that always misleads us, has been overwhelming. Society, however, is never static and the insoluble contradictions of the system are on the side of the socialist message. For capitalism with its wars, poverty and insecurity stands condemned--socialism, as a solution, awaits its long-delayed recognition.

Once you have heard, read and understood the case for socialism, and you still are not convinced, you must surely be reasoning as follows, either:

(1) You consider capitalism tolerable, or

(2) You consider that capitalism can be properly

/Cont. pg. 18.

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THE WAY IT IS **

Media and consciousness

FREE THE AIRWAVES!

The rapid development of the technology of communications makes present social relations more and more outdated with every day. The obstacle to a more free use of these exciting new channels is the same as that which held back the spreading of knowledge for hundreds of years: the fact that a minority class possess and control the means of communication just as they do the means of production in general.

In 1637, under a decree of the Star Chamber, whipping, the pillory and imprisonment were to be the penalties for publishing without the consent of the licensers, who were headed by the Archbishop of Canterbury. In later years, an invidious "tax on knowledge" known as the Stamp Duty was the slightly more subtle method used to prevent the majority of the population making "subversive" use of their growing literacy. In 1831, however, and in defiance of the Stamp Duty laws, Henry Hetherington brought out the Poor Man's Guardian, a "weekly newspaper for the people, established contrary to law, to try the power of 'Might' against 'Right,' price 1d." On the front page, in place of the official government red stamp was a black one inscribed "Knowledge is Power," with a drawing of a printing press and the words "Liberty of the Press." The first paragraph of this journal is worth quoting from, if only to demonstrate the difference between this early working-class paper, and its latter-day namesake, the Liberal Man's Guardian:

> No more evasion; we will not trespass, but deny the authority of our "lords" to enclose the common against us; we will demand our right, nor treat but with contempt the despotic "law" which would deprive us of it.

The Stamp Duty was finally abolished in 1855, but not before Hetherington had served a prison sentence for his pains.

The capitalist state is a coercive machine and overcomes the sporadic resistance of individuals and groups by resorting to force or the threat of it. But it could not survive for long if it had constantly to use such brutal (and costly) methods. In the course of the nineteenth century in Europe there gradually evolved an ideology of reformism, the intention of which was to replace repression with placatory gestures to accommodate the working class into the administration of their own exploitation. This presented the ruling class with a dilemma on the question of working-class literacy. As a Justice of the Peace was quoted as saying in 1807:

> It is doubtless desirable that the poor should be instructed in reading, if it were only for the best of purposes--that they may read the scriptures. As to writing and arithmetic, it may be apprehended that such a degree of knowledge would produce in them a derelish for the laborious occupations of life.

In 1870 this dilemma was solved through the enactment of the Education Act, which provided for a standard system of state-controlled schooling, capable of manufacturing the raw material for modern industry: literate, numerate and disciplined wage-slaves. The tradition of independent working-class self-education continued to flourish, however, in Mechanics Institutes, in bodies such as the Workers Educational Association, and through the carefully preserved bookshelves of knowledge passed down from one generation of workers to another, cherished for the relevance of their contents to the problems which confront workers: the works of Marx and Engels, of William Morris and Robert Tressell.

A Well-Behaved Explosion

The early 20th century witnessed an explosion of large scale communication technologies, once again under the strict and stifling control of the state or of private business interests. In 1984, more than 150 years after the publication of the Poor Man's Guardian, it is still illegal for anyone to broadcast publicly over the airwaves to others, without the (unlikely) approval of the BBC or IBA. The 1949 Wireless Telegraphy Act allows the Home Office almost total power to control and regulate the use of the frequency spectrum. The capitalist class monopolizes the land and factories across the world (including the state capitalist Russian empire); the air itself, however, is no more immune from this tragic abdication of responsibility for our world and lives which we make by allowing a minority to possess that world.

The 1930s saw the evolution of the new culture industry, with an increasingly uniform state-regulated leisure entering the sway of the world market. In marketing communications as a commodity in itself, as huge profits were accumulated. The big telecommunications multinationals such as IBM, ITT, Western Electric and AT&T are usually to be found on the list of top ten US companies today.

Evading the Monopoly

Of course, there have continually been attempts at various levels to evade this monopoly. In 1962 a young Irish businessman, Ronan O'Rahilly, tried to promote a recording of Georgie Fame and came up against the power of EMI, Decca, Pye and Philips, who between them cornered 99 per cent of the market. All the radio stations, including Radio Luxembourg, were working hand in glove with these companies, so O'Rahilly founded Radio Caroline. In 1967, however, the Labor government's Marine Broadcasting Offences Bill outlawed all the pirate stations and later that year the BBC's new 4-channel radio service came into operation with Radio One as a pop channel, all safely under the control of the (Labor administered) capitalist state.

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Communications technology in the 20th century has been developed according to the needs of profit and, as a corollary to this, according to military needs. By the mid-seventies there were, according to NASA, about 3,700 satellites in space. Of these, only a handful were communications satellites; the vast majority served the military establishments of the superpowers, in command and message systems, logistics, interception and surveillance.

Under capitalism, the latest advances in communication technology will be used to improve the efficiency of profit accumulation while dividing people more and more from one another and from their own self-determined needs. For example an advertisement for one of the home microcomputers on the market speaks of the delights of "balancing the family budget" (working out what you can no longer afford after splashing out on the computer) and of "the fascination of controlling your own private little world" as being "addictive."

Multilateral Media

With the advent of socialist democracy, there could be a great proliferation of multilateral communications systems. We must forget the false division between the passive entertainment of the media and the active process of education. In the words of Brecht, "Radio must be changed from a means of distribution to a means of communication." But for the devices at the disposal of humanity to be used to enhance, rather than obstruct, the democratic control of society, we must replace the social relationship of employers and employed which permeates the world today with social relationships of equality and cooperation:

> A microphone is not an ear, a camera is not an eye, and a computer is not a brain...as we design technological systems, we are in fact designing sets of social relationships. [Mike Cooley, Architect or Bee?]

The forms which communication takes will be directly related, in other words, to

/Cont. pg. 18.

THE SOCIALIST PARTY OF CANADA
and
THE WORLD SOCIALIST PARTY OF THE UNITED STATES

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 society as a whole.**

DECLARATION OF PRINCIPLES

The Companion Parties of Socialism hold:

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 labor 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 organise consciously and politically for the conquest of the powers of government, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and overthrow of plutocratic privilege.

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

8 THE COMPANION PARTIES OF SOCIALISM, therefore, enter the field of political action determined to wage war against all other political parties, whether alleged labor or avowedly capitalist, and call upon all members of the working class of these countries to support these principles to the end that a termination may be brought to the system which deprives them of the fruits of their labor, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

Those agreeing with the above principles and desiring enrollment in the Party should apply for Application for Membership from the sec'y of nearest local or the Nat'l Hdqtrs.

THE WORLD SOCIALIST MOVEMENT

The following parties adhere to the same Object and Declaration of Principles:

WORLD SOCIALIST PARTY OF AUSTRALIA	PO Box 1440M, Melbourne, Victoria 3001 PO Box 8279, Stirling Street, Perth, W. Australia PO Box 2291, Sydney, NSW PO Box 1357, Brisbane, Queensland
AUSTRIA: BUND DEMOKRATISCHER SOZIALISTEN	Gussriegelstrasse 50, A-1100 Vienna
SOCIALIST PARTY OF CANADA	PO Box 4280 Station A, Victoria, BC V8X 3X8 CP 244, Pointe-aux-Trembles, Québec H1B 5K3
WORLD SOCIALIST PARTY (IRELAND)	41 Donegall Street, Belfast
SOCIALIST PARTY OF NEW ZEALAND	PO Box 1929, Auckland, NI
WORLD SOCIALIST PARTY OF THE UNITED STATES	PO Box 405, Boston, MA 02272
SOCIALIST PARTY OF GREAT BRITAIN	52 Clapham High Street, London SW4 7UN

NEWS FROM THE NEW WORLD

Imagine no possessions....

A WORLD COMMUNITY

No one pretends to know how a moneyless world community might be run. But it never hurts to toss a few ideas around on the subject. Even though the exercise is no more than brainstorming, it is precisely out of learning to project alternatives that we can get a practical sense of what we want that world community actually to be like. We can do this without resorting to ideological devices like blueprints if we stick to the range of immediate possibilities which capitalist society has already inherited from the past and has developed for us.

1. "Socialism" and "communism" both mean free and unconditional access to whatever goods and services people are willing to produce. What could a "community" consist of that had ceased to place items of necessity up for sale on the market? Since trade is the sine qua non of the nation-state, a world community which has eliminated the need for using money will therefore have ceased to require national boundaries. Describing such a community as a "world government" could not mean anything that we now use the term to mean. It will not possess government-like features, or even resemble a confederation of government-like bodies, since its components will be socio-economic units rather than political ones. It will know only the boundaries of language and culture, and even these will have a long-term tendency to become blurred and indistinct.

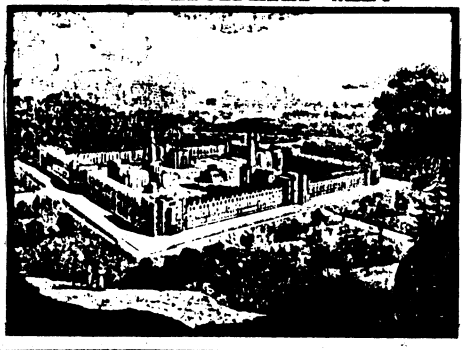
2. But--you might ask--don't we need political boundaries? National frontiers as we know them are merely symptoms of a larger divorce of work from enjoyment; their very possibility requires a process of production which transforms items of use (wealth) into commodities--goods and services defined as being in excess of the producers' needs. Once the work required for human survival was placed on this basis, conflicts inevitably arose over how the resulting wealth was to be distributed. Society became divided into owners and non-owners; into classes which "have" and classes which "have not."

Every state represents simply the institutionalization of this whole process all over again. Those who have thus made themselves the owners of the earth's productive resources use the state to secure their position. Traditionally the private owners of commodity wealth in one state have always needed as much protection from their equivalents in other states as from those who produced the wealth which they ordered produced.

If the earth's entire population as a whole owns all the wealth produced on it, no group can be in a position to refuse to share productive resources with anyone else. No one will have a basis for denying anyone else access to the things they need. No one will be able to force someone else to work or have the ability to refuse them goods and services for failing to work.

A Society Without Employers

Without employees, there can be no employers. Without employers, there can be no government. A worldwide community is incompatible with the concept of employment. Its "politics" will center instead on the satisfaction of mutually negotiated needs. Although people's needs are predominantly local in character, their satisfaction will still take place in a global context. Instead of an impersonal market mechanism laying prices on everything, normal patterns of usage, the availability of materials and the sustainability or the difficulty of the labor process will determine what



scale production should most appropriately take, ranging from local to worldwide.

Production Without Money

It is having to use money to obtain goods and services (resulting from the twofold distinction between owners and producers on the one hand and producers and consumers on the other) that places the control of resources and decision-making in the hands of a minority in the first place. The controllers of markets are those who accumulate capital; in a socialist society (one which has ceased to use money and works without markets), the power of control will revert to people again. Government will cease to be necessary. States will become functionless.

3. Thinking of such a world community or commonwealth as a single administrative entity is probably a large oversimplification. Because local users will of necessity have first call in making the bulk of the decisions regarding the disposal of resources, it could only have a loose unity at best. This follows from the fact of common ownership itself, which really signifies that no one has private possession of the means of producing goods and services. What will make world socialism different from what we now know is the way these local users will integrate their needs and activities to constitute a single worldwide social organism. People will coordinate rather than "plan" their production and consumption.

Existing international agencies, generated by the complexity of administering today's system of global markets, could in principle be easily adapted to this mediating function. At first, they will probably continue acting as representatives of a system of national states. But as the full impact of free access begins to set in and the social patterns of a moneyless world community begin to consolidate themselves, pressures will build to restructure these agencies from the representation of states to the direct, many-sided global analysis of local-user needs. How far this transformation might go is not for us to say; but that it must happen seems

probable.

4. Does a world community of producers, on the other hand, really have to operate as a centrally structured unit, with large-scale decisions taking precedence over small-scale? The word "community" is closely related to the idea of communication; that is, the viability of a world community is bound up with the free and generalized provision of information by everyone to everyone.

A Democracy of Information

A community on a world scale may thus be defined as a worldwide democracy of information. In the absence of the power to deny anyone access to resources, "rule by the people" will not involve making use of any instruments of rule. (Whether this actually fits the concept of rule at all may be disputed.) As long as the channels of communication are adequate to all demands placed on them by society at large, the distribution of wealth can always be coordinated with the activities of individuals as they express their needs on a regular basis.

5. We should think of a world community, therefore, less as a set of institutions than as a common vehicle: an arrangement, shared by the earth's entire population, for relating common patterns of living and working together for each other's benefit on a world scale. Such an arrangement will only work if it is grounded in people's actual living requirements, as expressed and determined by them, speaking for themselves as producers and consumers. The affairs of the world community will be shaped through continual, widespread discussions and formulated as an ever-changing mass of information. This "mass of information" will be all that will be needed in the way of a central plan.

A direct result of removing the blinkers imposed by the market system will be that people will put away the capitalist neurosis of regarding nature as an enemy to be conquered; by cultivating the habit of discussing each other's mutual needs on a global scale, they will find it natural to conceive them in the context of the ecosystem.

6. Organizing society in this fashion will obviously require a mature basis for ordering our social relations. But it is just such a basis that we already possess in embryo under capitalism: for working people now run the (anti-social) capitalist system from top to bottom. We already have the knowledge and the skills to replace economic development (the accumulation of capital based on national markets) with a world-scale production originating directly in demands made by the users themselves. Production for use eliminates any need to "enrich" the poor because it means the liquidation of the system which grows out of, generates and enforces poverty. We have all the means at our disposal for converting to a system of production aimed at satisfying everyone's present and future needs; all the tools for making interdependence give way immediately to interaction now lie waiting at our fingertips.

We are foolish to pass up the chance to use those tools.

— RE

IS THERE A "ROAD" TO SOCIALISM?

REVIEWED ***

Books of interest to socialists

State Capitalism: The Wages System Under New Management. Adam Buick & John Crump (The MacMillan Press Ltd, 1986)

You have only to attend a meeting of any of numerous groups identifying themselves as "socialist" or "communist" to find out one thing: with few exceptions, they do not define their immediate goal as being worldwide in scope. They regard replacing the buying and selling of necessary goods and services with free access to the same as a very long-term aspiration (though the notion enjoys wide acceptance as an abstraction). Between the cup of communism and the lip of capitalism, they claim, there lies a wide gap, and that gap can only be bridged by a complicated and unpredictable series of short-term objectives. Eventually society will be transformed, it is true, but not starting from the present reality as we currently understand it.

Those groups organized as formal political parties seeking to attract the support and/or the votes of workers and other sectors of the population thus find themselves nailed fairly tightly to a framework of nationalism which has to justify itself through an appeal to "proletarian internationalism" or something similar. Followers of Lenin and Trotsky, for example, advocate setting up a "workers' state" which will liquidate the institutions and mechanisms by which private owners of the means of production perpetuated their legal monopoly over the output of goods and services. According to this scenario, the exploiting (capitalist) class continues in existence for a while but is sternly regimented by the party in control of the machinery of state and enjoying the well-informed support of the majority.

In State Capitalism Adam Buick and John Crump carefully dissect the concept of state ownership of the means of wealth production and lay bare the mass of rationalizations leading up to it. First they establish the general boundaries of discussion by defining what the term capitalism means, then they distinguish between two models of capitalism: the one traditionally accepted as such (private capitalism, the earliest form) and the other representing a number of historic adaptations or variants of capitalist monopoly over social production (in response to some structural failure on the part of the "private" model). Since this second type is characterized by the nationalization of enterprises--with or without a thoroughgoing state management of the system of production--it is of course best described as "state" capitalism.

This result can be accomplished in two ways. Either the state can bail out individual capitalists by taking

over the legal proprietorship and control of their businesses without a major political upheaval occurring (as has become common in western Europe); or a revolutionary opposition can develop within the bosom of capitalist society and, with varying degrees of majority support, raze the preceding régime to the ground, totally reorganizing the system of exploitation (as in eastern Europe, Russia and China). In the second case, a new capitalist minority replaces the old, leaving the same or equivalent relations of production intact. Though from a narrowly legal angle the new minority renounces all private title to the system of production, they nevertheless retain monopoly control over it.

"Socialist" Profits?

In the fourth chapter, the authors deal with a question which everyone has sooner or later asked: What makes a state-capitalist economy different from a "classical" one? They tackle a couple of familiar old fallacies: namely, the belief that

> "Socialist" profit is not capitalist profit because "all profits belong to the people" or, to put it another way, because "the state distributes profit for the benefit of the people. "Socialist" wages are not the mark of an exploited working class, but are the means by which social wealth is distributed according to each individual's contribution to production. (Ch. 4, "The Capitalist Dynamic of State Capitalist Economies")

In the end, however, no matter on what ideological grounds wage exploitation is put into effect, the leopard cannot avoid keeping its spots. "Profit is pursued because, due to the competition which is inherent in world capitalism, state capital continually has to invest newly acquired surplus value in a compulsive effort to accumulate and hence expand itself." (p 101)

Before going on to socialism as the alternative to either state or private capitalism, they briefly outline some of the ideological underpinnings on which the justification for state capitalism rests, showing how the thinking of its advocates evolved out of "classical" socialist theory (as found in the writings of Marx or Engels) into its Leninist and post-Leninist forms.

Basic Features of Socialism

Having comprehensively mapped out the state-capitalist terrain, Buick and Crump have no difficulty elucidating the basic features of a socialist society: It must be worldwide; all goods and services will be produced for use only and distributed free; it will have no classes, states or national frontiers; no exchange of goods and services will take place--since there will no longer be any market to regulate consumption.

> The disappearance of economic value would mean the end of "economic calculation" in the sense of calculation in units of "value" whether measured by money or directly in some unit of labour time. (Ch. 6, "The Alternative to Capitalism")

The need for planning will be met by establishing "a rationalized network of planned links" occupying the successive phases through which the cycle of production/consumption passes. "Planning" in that context will mean only the coordinating of "a direct interaction between human beings and nature." (The authority of economists rests partly in fact on the working class's uncritical acceptance of their doctrine of an inherent natural scarcity.)

If the language in the last chapter makes heavy use of the conditional tense, this does not imply any prediction of utopia. It only acknowledges that workers have so far failed to shake themselves out of the slumber of poverty. This is a process which necessarily must take place on a world scale (if not everywhere at precisely the same time); for a whole society to make the changeover to production for use requires a conscious understanding of the stakes by enough of the world's population to constitute a political force greater than any that capital can muster in its own defense.

Such an intense concentration of well-informed opinion has not yet occurred nor will it ever--if workers (including both highly paid professionals and exploited agriculturalists) continue to limit their thought horizons to those of the national state into which their destiny as wage-slaves has thrust them. The admirable thing about State Capitalism is that it provides a sorely needed theoretical framework for tearing loose of the deadly embrace of nationalism. This framework (as noted in the book) has been slowly emerging within the world socialist movement in the decades since the Bolshevik revolution, most significantly in the propaganda of our companion party, the Socialist Party of Great Britain. The book itself makes a highly readable contribution to this ongoing effort to create a class-conscious, socialist majority--one that will finally get capitalism's funeral cortège rolling toward the cemetery. Ø

GO AHEAD—ASK ME A GOOD QUESTION

As long as it doesn't relate to the basic causes of poverty, racism, hunger, war or economic crises.

That's what the experts generally tell us. But if you DON'T want pseudo-explanations, read...

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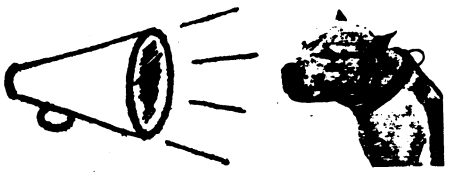

YOU SAID IT

Our Masters' Voice

FOLLOW THE RAINBOW BRICK ROAD

So anomalous is the US political system that a presidential candidate like Jesse Jackson can appeal to organized labor as only a segment of a larger constituency and yet still come across sounding like the worker's last best hope for getting "a fair day's pay for a fair day's work." Says Irving Beinen of the National Committee for Independent Political Action,

> the National Rainbow Coalition is not a labor party and it is institutionally related to the Democratic Party, even though it is not part of the Democratic Party as such. But its basic thrust and program and its constituency makes it come closer to a labor party than anything we have seen in 50 years. [Socialist Action, Dec 87]

In a country which spawned the Horatio Alger Syndrome and Rugged Individualism Complex, workers have never advanced a candidate who exemplified the class struggle (with the one exception of Eugene Debs)--someone whom they believed represented their interests and whom they thought would use political office to advance them at the expense of employers.

On the contrary, the US worker's unsexed political consciousness always ends up melting down into daydreams about that Great Big Happy Family in the Sky. The Rainbow Coalition is really just the most recent example of this, as we see from a campaign leaflet quoting Jesse Jackson:

> There is nothing wrong with the American worker, the family farmer or the small business person. Economic violence is no accident. Deregulation, unchecked corporate greed, incentives to merge companies, purge workers and submerge the economy must be reversed. ["Bold Leadership /New Direction"]

You see: If we would all Get Responsible the System would Work! At a Jackson victory celebration following the supertuesday primaries in the Southern states, Reverend Herbert Daughtry told the excited crowd:

> We're going to reshape the American landscape and make America what it ought to be--a place where all the American people, Black, white, red, yellow and brown, can live together in peace and pursue the dream that this country belongs to all of us. [Frontline, 3/28/88]

In a debate with the Trotskyists, Irving Beinen (quoted above) was led to defend Jackson's record as a candidate in the following terms:

> He's against plant closings. Is that in the interests of the capitalist class? He's marched on picket lines supporting workers in the most important strikes of the country. Is that in the interests of the capitalists? [Socialist Action, Dec 87]

(Well, yes....it depends on which group of capitalists you're referring to.) Beinen further elaborated on this conception of representing class interests in describing the Democratic Party:

> It's a capitalist party whose main base consists of workers, Blacks, Latinos, poor people, even unemployed people. It is controlled lock, stock and barrel by big business and by capitalists, without any question.

Jackson's plan, he asserted, is to "weaken that control."

It must be obvious, however, that any plan to operate the profit system in the interests of the exploited majority must always stumble over its own feet, since not all the money in the world could ever suffice to eliminate that majority's poverty and powerlessness. Capital requires poverty, just as a living organism requires oxygen. It breathes in surplus value--all that "extra" stuff that the little workers don't need and that belongs by divine right to their betters. "Weakening the control" of one group of capitalists could not have more effect than to strengthen the control of another group. What we really need to do (starting right now) is to eliminate capital period, brother.

WHO'S IN CHARGE HERE?

Obscurantism is alive and well on Wall Street. Donald Trauscht, vice president of finance and strategy for Borg-Warner Corp., "has decided to peddle big pieces of his company [sic] to foreigners." [Wall Street Journal 2/24/88]

Well, so what? Money is money, after all. But it does tug at the heartstrings a little bit: "There is sadness in my heart," he bleats, "but I'm a realist. I know where we're at." This reflects a belief that "a lot of the country is up for sale right now," as Douglas Lamont of Northwestern University puts it. ("Right now," even!) Trauscht shares Lamont's worries:

> As a citizen and a patriot, I'm concerned. I don't want this country to be owned by foreigners.

One of the spreading consequences of last year's stock market crash was a scrambling of the very delicate web of paper profits that the capitalist class had so laboriously reconstructed following its last débâcle in 1973. One million-million dollars just "disappeared" in a day's trading. Overextended companies are now having to retrench by selling off "pieces of themselves" to buyers "with stacks of yen or marks."

Donald Trauscht is not shedding such bitter tears over earthly goods like work and play, marriage and divorce or even life and

/Cont. pg. 18.

OSCAR WILDE on "Living for Others"

The following article is taken with permission from The Nation (2/20/88), where it appears as "Minority Report" (a feature column). The writer--Christopher Hitchens--not only expresses an insight into the underlying realities of exploitation and social class but also reminds us of a few things about Oscar Wilde that the capitalist class would presumably prefer to play down as quaint or awkward.

That said, we do take exception to what seems to be the author's implied existence of a "middle class," since the liberal middle class of Wilde's time has itself become today's conservative "upper class", having changed only its ideological diapers in the process. Developed capitalism knows only two classes: those who own the means of production and those who work for them to produce and distribute wealth, either to the former's profit or to their minimum cost. A worker is anyone whose only source of income is the sale of their mental and physical abilities.

--The Editor

....The salient point about [Oscar] Wilde was the economy and address of his wit. He did not froth with bons mots like some second-rate charmer. He was a tough and determined Irishman who more than once flattened bullies with his fist, and most of the time--if we exempt pardonable and tempting sallies about blue china and decorative screens--his drawling remarks were not snobbish or mannered. I suppose that people need to see him as a species of languid dandy, which is why The Soul of Man Under Socialism is almost never discussed when dear Oscar's name comes up.

Try to find that essay in any of the current anthologies of Wilde. First published in 1891, it was jeeringly retitled The Soul of Man while Wilde was in prison. It expressed the sensibility that had impelled him to take the side of the Irish rebels and, in particular, to oppose the British government's attempted frame up of Charles Stewart Parnell, who, like Wilde, was destroyed on a charge of immorality when all else had failed. It gave Wilde the same distinction as that which he acquired by being the only writer in London to sign George Bernard Shaw's petition for the Haymarket martyrs. And it contains the following imperishable sentence:

> The chief advantage that would result from the establishment of Socialism is, undoubtedly, the fact that Socialism would relieve us from that sordid necessity of living for others which, in the present condition of things, presses so hardly upon almost everybody.

This is not the flippant remark that philistines might take it to be. It is in fact what is truly meant by "compassion," a word now made to sound sickening in the mouths of Democratic hypocrites.

What those hypocrites mean when they intone the hack word "compassion" is that we should not forget the needy and the desperate as we pursue our glorious path of self-advancement. This is the rough equivalent of the older injunction that we should remember the wretched in our prayers. Wilde was proposing something infinitely more daring and intelligent--that we regard poverty, ugliness and the exploitation of others as something repulsive to ourselves. If we see a slum, a ghetto, a beggar, or an old person eating pet food, we should not waste pity on the victim. We should want the abolition of such conditions for our own sakes. The burden of enduring them is too much.

This is why early socialists were quite proud to be accused of spitting in the face of charity. The principle that an injury to one is an injury to all is not just talk; it is the expression of a solidarity that recognizes mutual interest. As Wilde also wrote, in his review of Edward Carpenter's Chants of Labour, "For to make men Socialists is nothing, but to make Socialism human is a great thing." His appreciation of paradox here makes an excellent match with his rejection of sentimentality.

There is another sense in which it would be nice to think that Wilde intended his insight about "living for others." In the great working-class novel The Ragged Trousered Philanthropists the laborer Robert Tressell describes the feelings of charity and gratitude that overwhelm the credulous, patriotic men who worked alongside him. They were content to spend their entire lives living for others--their betters--each of them confident of his own sturdy independence. This type did not disappear with the waning of the Industrial Revolution. You can meet him today, the despair of "progressive" intellectuals, as he bellies up to the bar with his "can't fool me" talk and proceeds to speak, sometimes using the very same phrases, in the tones of the President's last lying paean to native virtues. Praise for these philanthropists, especially at times when they are needed to be expended in war, is the only official rhetoric you hear that mentions the word "class." Almost the only place that class distinctions are stressed these days is at the Vietnam Veterans Memorial.

Class Factor Downplayed

They deserve to be stressed more often. Society labors on, supporting both an enormously wealthy upper class, whose corporate holdings are frequently tax free or even tax subsidized, and a growing underclass, which is sporadically and pathetically cited as a spur to conscience. Never is it asked, What are these classes for?

A sort of moral blackmail is exerted from both poles.

/Cont. pg. 18.

NICARAGUA cont.

> fits for a boss, but perhaps to create a new pair of shoes for a barefoot child who may be his own."[6]

A strange pronouncement to be coming from the mouth of the Spectre of Communism! For, as every socialist knows, social wealth produced for the market always takes the form of commodities, and commodities as such embody a surplus over the needs of their producers. This surplus is called profit--no matter who (the state included) employs the producers, for no matter what reason. And every capitalist, private or public, also knows that, as long as enough barefoot children whose parents have enough money to spend on shoes need shoes, capitalists will stand ready to supply children with shoes--provided they can see a profit in it.

-- AD

1. Joseph Collins with Frances Moore Lappé, Nick Allen and Paul Rice (New York: Grove Press, 1986). 2. Pages 38, 69, 71 and 80 [where the Sandinistas called for a halt to the land takeovers immediately after the revolution]. 3. Pg 80. 4. Pp 76, 176. 5. Pg 69. 6. Pg 75.

POVERTY cont.

reformed. We strongly suggest that neither position is tenable.

-- Sam Leight

Reproduced, with minor changes, from Chapter 10 ("Poverty & Standard of Living") of World Without Wages

CHARGE cont.

death:

> Critics point out that the sales put more US assets under foreign control. That funnels more profits overseas. [Wall Street Journal 2/24/88]

The same critics "also worry that the trend will cost US jobs."

Now just think about that one for a minute. US multinationals have no trouble pulling up operations in established industrial centers, selling entire plants and sacking the workforce, plunging the cities that depended on them into permanent depression, transferring capital-you-can't-eat abroad to countries where dictators have been groomed to keep labor cheap and then repatriating the profits--all the while promoting the most savage and bloody repression. Somehow these multinationals are "different" from foreign companies, whose greedy boards of directors "aren't as likely to be concerned about displacing workers" (in the words of Mark Barbash, deputy director of Ohio's Development Department).

If you get the impression that someone is shedding crocodile tears, that impression is eminently justified. Because as human beings with wants and needs we all fall into the category of "foreigners." If capitalists worry so much about foreign competitors gaining control of "our" multinationals just imagine how worried they would get if we did.

-- Ron Elbert

AIRWAVES cont.

the form which society takes. If we are to start communicating with one another globally on the sophisticated level which modern technology has made possible it is a social revolution, rather than a technological revolution, which is urgently needed.

-- C Slapper

WILDE cont.

The underclass, one gathers, should be dulled with charity and welfare provision lest it turn nasty. The upper class must likewise be conciliated by vast handouts, lest it lose the "incentive" to go on generating wealth. A rising tide, as we have recently learned, does not lift all boats, nor does a falling tide sink them all. If people were to recognize that they are all in the same boat, they would take better care of its furnishings, its comfort and its general décor. This is what Wilde meant by the importance of the aesthetic.

Radicals have been taught to distrust any too-great display of individualism, and where they forget this lesson there are always conservatives to remind them (a madly sweet but slightly lugubrious example of this style appears in the current New Criterion, reprobating my good self). Wilde himself was haunted by a Podhoretz-like chaplain in prison, who reported that the cell reeked of semen. (How could he tell?) We are in the debt of the brave man who taught us to ask, of their majesties, whether they deserve us, or our continued amiable subservience.

-- Christopher Hitchens

ON SECOND THOUGHT

From the Western Socialist:

Despite those who insist that criminals are born and not made, facts do prove that crime increases in ratio to poverty and misery and that given similar conditions, peoples will react very much in the same way regardless of color or creed. Given a socialist environment of abundance, human beings will behave in a sane and social manner.

We can safely assume that even should housing improvements be made in the Negro slums, the general status of the Negro will remain unchanged. He is a most pathetic victim of this society, as he is exploited as a wage-worker and segregated and discriminated against because of his color. Just as long as this system continues so long will poverty and want stalk him, slum reforms or no. The Negro can not solve his basic problems within the confines of a capitalist society and sooner or later will have to join hands with his fellow workers everywhere for the task of ending the last of all slave societies.

-- C Rothstein, "The Slums of Miami," July-August 1948

SURVIVAL cont. from last page

volved black people, while 289 dealt with corporations. These, by and large, helped to sustain capitalist impulses after the Civil War. It was in the last quarter of the 19th century that the foundations for the great fortunes were laid: Armour and Morris in meat, Pillsbury in flour, Rockefeller in oil. The "new" West was opening up with vast opportunities and produced "the men to match its mountains." Leland Stanford left New York and went out West to establish the Central Pacific Railroad. One of his opponents said of him: "No she-lion defending her whelps or a bear her cubs, will make a more savage fight in defense of her material interests." The modern "Robber Baron" had appeared upon the stage of history.

"The fittest to survive" were thus overwhelmingly rich white men with numerous wage-slaves at their disposal. Not surprisingly, they turned out to be "more equal" than those black ex-chattel slaves whom their predecessors had liberated into unemployment. The first section of the 14th Amendment reads:

> No state shall...abridge the privileges or immunities of citizens of the United States; nor shall any state deprive any person of life, liberty or property, without due process of law; nor deny to any person, within its jurisdiction, the equal protection of the laws.

While its second section did not give blacks the vote, it did penalize any state withholding that privilege, by reducing its representation in Congress. The radicals of the North insisted that the South ratify the Amendment, which President (Andrew) Johnson considered to be "unconstitutional" and which he advised the states to reject. Tennessee alone failed to follow the Presidential advice and re-entered the Union.

Keeping Black Labor Cheap

Emancipating the South's plantation slaves and then not lifting a finger to protect them from the revenge of their one-time oppressors (who had meanwhile constructed a "stab-in-the-back" theory around them) meant, in effect, securing an abundant supply of dirt-cheap labor for the indefinite future. The "fitter equals" who invested their capital for a living had reaped a potentially enormous harvest (of surplus value), and it remained only to achieve a modus vivendi with the regrouped descendants of the slaveholders. This was not long in coming.

A series of Supreme Court decisions beginning with United States vs. Reese in 1875 and ending with the Civil Rights cases of 1883 made discrimination easy. The ruling in these cases was that while the Federal Government might continue to protect black citizens from discrimination by the state, it could not protect them from the acts of individuals, even if the latter were organized. This, as an eminent American historian says, "was practically an invitation to lynch law."

But state laws could discriminate on grounds other than those of race in the name of civil rights; and they could discriminate on grounds of race if they alleged they were protecting "social" rights. And so the industrialists consolidated their conquest of the South.

This home-grown variety of racism, the assumption of white supremacy as something naturally good for business--in a word, the "survival of the fittest" concept as expounded by Spencer,--is still ingrained in large measure in the collective psyche of the North American ruling class. A byproduct of the pursuit of profit, it permeates the social scene like a blight.

And not only in the domestic class struggle can we detect Spencer's pseudo-science, but also in foreign policy. The doctrine of "Manifest Destiny" was an early "pragmatic" version of it. Repeated aggressions against Cuba, Puerto Rico, Central America, the Caribbean, the assault on Mexico, the annexations of California, the Philippines and Hawaii--all of these carry its hue.

We ask all workers to recognize racism for the divisive class swindle that it is. It is only society operating as a harmonious whole that is "fit to survive." Men and women of good will and tremendous courage have spent their lives trying to roll back racist attitudes in the United States; but most have failed to understand that capitalism in this country depends for a part of its profits on pitting blacks against whites. In the judgement of the marketplace, the heritage of racism would be jettisoned only if doing so proved to more profitable than retaining it.

Let us recognize instead the need for replacing the system of profit-based production which serves as the basis of racist behavior. Socialism (common ownership) is possible now. All that is lacking is the knowledge of how matters stand and the desire to make the change. Ø

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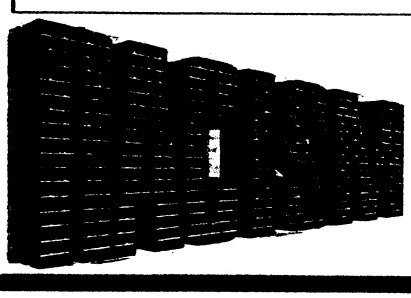
1. Socialists do of course recognize the value of Darwin's work. We give a place to the "struggle for existence" in nature. But another, countervailing concept also issues from the same science of biology, that of mutual aid. Mutual aid complements the notion of "survival of the fittest" (as Kropotkin pointed out). In fact, humans, who are gregarious animals, could not have developed through the ages without cooperation. (As Labriola wrote: "Pre-social man is a historical unreality.") Moreover, we have now reached a point of human development where the concept of "survival of the fittest" has become more and more inconsequential and "mutual aid" increasingly important.

Adapted from "Pseudo-Science and Capitalist Use Thereof," an essay by the late comrade Bill Pritchard.



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Survival of the Filthiest

Of all the pseudo-scientists in economics, anthropology, history and other fields who have erected so many obstacles to the clear understanding of reality, Herbert Spencer was perhaps the most outstanding. The opinions he held and the conclusions he reached in his work, Social Statics, were adopted wholesale by readers on both sides of the Atlantic. In Britain he developed a strong following, but nowhere so avid and devoted a set of disciples as among the burgeoning class of tycoons in the USA--who, as we shall see, had the opportunity to make a unique and profitable application of his ideas in the aftermath of the Civil War.

Making an analogy with Darwinian biology--which hit the world like a cloudburst in 1859--he tried to show that just as nature worked automatically to select her "élite" and thus accomplished the "survival of the fittest," so too society could approach perfection to the extent that free play was allowed its "élite." He set forth his position very clearly in the statement: "There cannot be more good than that of letting social progress go on unhindered; an immensity of mischief may be done in... the artificial preservation of those least able to care for themselves." He defended cupidity (that great capitalist virtue) as part of the universal struggle for existence. The possession of wealth, to him, was the hallmark of the fittest, to be pursued like the Holy Grail.'

The Success Ethic

Success, sans the saving grace of stewardship, was alone considered of account. Calvinism, the doctrine of thrift, hard work, etc., was here revealed in all its squalid nakedness, shorn of any pretext of "conscience." No wonder the developing capitalists of the "new" world hailed these findings as those of "science"!

These were the years following the close of the Civil War and the proclamation of freedom for the chattel slaves of the South, of the passing of the 14th Amendment to the US Constitution; the days of "binding up the nation's wounds," of "Reconstruction"--when the "freed" slaves found themselves more insecure and more enslaved than they had been on the plantations and when, together with the "poor white trash," they wandered aimlessly across the land in search of sustenance.

They were equally the days of the Spencerians in business who, recognizing the value of political power, were not content to delegate that power to sycophants and stooges but who sought to rule directly instead, as members of the House and Senate; more members of the capitalist class, as such, held office then than at any other period in US history. Later, through the refinement of brainwashing techniques and the promise of rewards, they learned to cultivate a reliable, corrupt and mendacious class of mouthpieces. In 1886 Senator George Hearst, father of William Randolph, confessed to his colleagues: "I do not know much about books; I have not read very much, but I have traveled a good deal and observed men and things, and I have made up my mind after all my experiences that the members of the Senate are the Survivors of the Fittest." [Emphasis added.]

These were also the days of expanding capitalism. The year after the war ended, the Commercial and Financial Chronicle, envisaging the consequences of the war boom, put it this way:

> There is an increasing tendency in our capital to move in larger masses than formerly. Small business firms compete at more disadvantage with richer houses, and are gradually being absorbed into them.

The Spencerian concept of "survival of the fittest" not only was accepted by business and industrial magnates but also dominated the thinking of the Supreme Court of that day. In 1865 all the Justices had been born before 1820, at a time when industrialism had not yet made its imprint on the life of the country. Three of them had seen the light of day in the 18th century, and two had been born back during Jefferson's first administration.

Social Darwinism and Legal Personality

That such a court could narrowly interpret the 14th Amendment so as to allow the Reconstruction states to curtail the "privileges and immunities" of the black "freedmen" already showed an implicit bias toward Spencerian ideology. However, it still allowed the states to "regulate" business. The chief dissenter was one of the younger justices, Stephen J. Field, then sixty years old. He was the first to designate corporations as "persons" in his interpretation of the 14th Amendment. The next step in his logic was easily taken: No corporate "person" could be deprived of property by any state without "due process of law." Therefore, since limitations on railroad rates, etc., might reduce the corporations' profit or the value of its holdings, such limitations, under the 14th Amendment, were unconstitutional.

The Court and Capital Rights

The trend was confirmed: in 1882 a native of the industrial state of Massachusetts and a firm believer in progress through Spencerian "freedom", Horace Gray, was appointed to the Supreme Court. For the next twenty years, Gray was the dominating force on the Court. During that period many of the earlier regulatory decisions were overturned. Then in 1902 Oliver Wendell Holmes succeeded Gray, and in 1905 the great dissenter made his famous observation that "the 14th Amendment does not enact Mr. Herbert Spencer's Social Statics."

But up to then, and even in the following years, the Court certainly acted as though it did. Between 1890 and 1910 only 19 decisions based on that amendment in-

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