

Nature, Society, and Thought

**NST**

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**a Journal of Dialectical and Historical Materialism**

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VOL. 19, NO. 2 (APRIL 2006)

Sent to press April 3, 2007

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Cover design by Prockat

*NST: NATURE, SOCIETY, AND THOUGHT* (ISSN 0890-6130). Published quarterly in January, April, July, and October by MEP Publications, University of Minnesota, Physics Building, 116 Church Street S.E., Minneapolis, MN 55455-0112. Periodicals postage paid at Minneapolis, Minnesota. POSTMASTER: Send address changes to *NST: Nature, Society, and Thought*, University of Minnesota, Physics Building, 116 Church St. S.E., Minneapolis, MN 55455-0112.

*Subscriptions.* U.S.A., one year, individuals \$15, institutions \$28; two years, individuals \$28, institutions \$56. Other countries, add \$5 for postage for each year. Single copies (postpaid): individuals \$6.50, institutions \$11.50.

Subscription and editorial address: *NST*, University of Minnesota, Physics Building, 116 Church Street S.E., Minneapolis, MN 55455-0112 (tel. 612-922-7993).

Contents are indexed in *Sociological Abstracts* and *Alternative Press Index*. A complete index of all articles ever published in *Nature, Society, and Thought* is given on <http://www.umn.edu/home/marqu002>.

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# ***Value in Physics and Self-Organization in Relation to Marx's Theory of Value***<sup>1</sup>

**Werner Ebeling**

## ***Introduction***

The concept of value plays an important role in many natural and social sciences (see, for example, "Value," *Wikipedia, The Free Encyclopedia*<sup>2</sup>). In physics the notion of value is somewhat relevant; in our context the role of the value of energy in relation to entropy is of central significance. In the life sciences, values are part of the main concepts, especially in Darwin's theory of evolution and in Manfred Eigen's theory of evolution of biomolecules (1971). In economics, the concept of value plays an especially important role. It was first investigated by Adam Smith (1723–1790) and further discussed by David Ricardo (1722–1823) as the central idea of economic theory. As is generally known, the concept of value, with various manifestations such as exchange value and surplus value, is a main element of Marxist theory (Koshimura 1978). For this reason, various critics from the field of capitalist economics use it as a starting point (Sraffa 1960; Suhr 1983; Heinrich 2004). Within the scope of a comprehensive investigation of processes in nature and society from the point of view of self-organization and evolution (Ebeling and Feistel 1986, 1994), I would like this essay to make a constructive contribution to the understanding of the concept of value and also add to the interdisciplinary discussion of Marx's concept of value. In the

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reference list, I give the relevant works, omitting the generally well-known standard works.

***Formulation of concepts in physics:  
Elementary, complex, and emergent***

The worldview of physics relies on laws that physicists consider fundamental. The term *fundamental* in this context means these laws cannot be reduced to more basic laws. They are the laws that regulate the attributes and dynamics of elemental particles and fields. Furthermore they include the laws that formulate the more general exclusion of possible processes, such as the main theories of physics. The fundamental laws of physics are of such a type that they offer possibilities for a temporal development of systems that can be realized or not, depending on initial and boundary conditions. For example, the laws of motion do not exclude the possibility that the earth could reverse its rotation or its revolution around the sun.

This and many other examples lead to an important thesis: *Knowledge of the fundamental laws of physics is not enough to understand our world and to survive in it. The world that surrounds us is extremely complex and a purely physical approach is not sufficient for the understanding of complex phenomena.*

Although the objects we are dealing with consist of elementary particles and fields, this aspect is often irrelevant. We view our car or our refrigerator not as a system of elementary particles and fields but as an entity, a functional object that has a certain use value in our life. Should these useful objects fail to work, we do not turn to an elementary-particle physicist, but we call a technician who has the necessary technical knowledge. Since we want to understand our world as a whole entity, the fundamental question arises: what is the relation between the laws for the elementary aspects and the complex? Several answers to this question are possible. Our opinion is based on the following theories (Ebeling and Feistel 1994):

1. The fundamental laws of physics cannot be violated; they are valid without restriction for complex systems as well.
2. Complex systems have emergent attributes; the whole is more than the sum of its parts.

3. The laws of the dynamics of complex systems form a cone of restrictions, the “cone of laws.” With increasing complexity, the number of restrictions also increases.
4. Complex systems and the laws that govern them have come into being through the process of evolution; their main characteristic is their historical development.

With this understanding, in the spirit of historical materialism, we have focused on the historical aspect. Our world was formed about fourteen billion years ago from very hot, dense, and totally unstructured primal matter. This primal matter was in a condition that resembled the “absolute chaos” of the ancient Greeks or the *tohuwabohu* of the ancient Hebrews. The dynamics of evolution was determined solely by fundamental laws, as there were no complex systems yet in existence. But our world was “creative” from its very beginning; it was able to create complexity on the basis of the original and boundary conditions and the valid fundamental laws. It had the ability for self-structuring and self-organization.

#### ***Values as order parameters of a new quality***

The processes of valorization and optimization play an important role in our life. Individuals try to improve their quality of life; the state is charged with improving the living conditions of its citizens; technological development aspires to satisfy needs to an ever greater extent. This always includes processes of optimization. As the history of natural sciences has shown, naïve transference of human understanding of optimization to nature leads to nonsensical interpretations. On the other hand, the application of the idea of optimization in natural sciences has proven useful. Many laws of physics were formulated in the form of extremal principles.<sup>3</sup> Examples for this are the principle of least action in mechanics, Fermat’s principle in optics, and the variational principles in quantum mechanics and field theories. Many researchers have interpreted variational principles as an especially gratifying formulation of laws. In a 1915 lecture, “The Principle of Least Action,” Max Planck stated: “Among the more or less general laws that characterize the achievements of physical sciences over

the past few centuries the Principle of Least Action appears to be the one that can claim both in form and content to come closest to the ultimate goal of theoretical research.”

The previously mentioned extremal principles have introduced scalar quantities (functions, functional equations) that help in the comparison and evaluation of positions and vectors. A very different kind of evaluation and optimization criteria has developed since the middle of the last century in connection with the development of thermodynamics. The idea that certain quantities are being evaluated and optimized in thermodynamical processes was introduced almost parallel to the developments in the biological theory of evolution by Clausius, in connection with the concept of entropy. Clausius himself, followed later by especially Helmholtz and Oswald, had developed the idea that the entropy of a body is a measure for its useless internal energy, as well as a measure of disorganization. Ostwald once said he only understood the nature of the Second Law of Thermodynamics once he realized its connection to the value of energy. A question of historical interest is why Kirchhoff and other (relatively successful) physicists have made every effort to eradicate the concept of value from physics.

In the framework of the concept of value for physical entropy, the Second Law of Thermodynamics states that isolated systems spontaneously strive towards the reduction of their internal energy. Self-organization requires pumping with high-grade energy (entropy-export). In the field of linear relations (meaning close to equilibrium), irreversible processes tend towards a minimalization of entropy production (Prigogine principle). In the nonlinear sphere (far from equilibrium) the search for generally valid principles has so far been unsuccessful and has been more or less abandoned. Several optimization principles are valid for special classes of nonlinear processes of self-organization. These relations have been thoroughly examined in earlier work that I would like to mention in this context (Ebeling and Feistel 1986, 1994; Feistel and Ebeling 1989).

Another important problem, like irreversibility, is irreducibility, or in different words, emergence of values. Entropy cannot be calculated as the function of coordinates and momenta, in the

same way that in biological selection values cannot be computed from the phenotypes of organisms, and in economics exchange values cannot be determined from the attributes of the materials that have been used to produce the commodity.

How can a system contain quantities that do not arise from the elemental variables, if those variables comprise a comprehensive description of the system? These are holistic properties, so-called emergent properties. The whole is more than the sum of its parts. We would like to add some observations: first we would like to ascertain once more the almost trivial but extremely important fact that the symmetry of kinematical equations is not identical with the symmetry of their solutions. The simplest example is the harmonic oscillator: canonical equations are invariant towards temporal translation (da autonom), the solution occurring only with a shift of period  $T$ .

Integrals of local equations have new global attributes that are clearly the result of the equation, but generally form a new quality. To us, this seems to be of central significance for many problems. This is especially true for morphogenesis in biology, as we will discuss in detail later on. In the entropy of molecular systems, the role of emergence is very clear, since the actors—the molecules—can be calculated. Entropy is being introduced as an empirical quantity in thermodynamic equilibrium. The introduction of such a quantity requires that all fast microscopic variables follow a definitive statistic. In this connection, the following is relevant: the attributes of value quantities are determined by the type of valid statistic of the elements, and this statistic is an integral characteristic of the microscopic system in the above-mentioned sense. The statistic does not contain the symmetries of equations of motion, but that of its integrals! In order to use statistics, one has to know which path the particles take in phase space, how long they remain in which part of the space, are there separatrices, what are the boundary conditions, etc. Generally this statistic can only be determined by integrating the equations first, before averaging out. These operations are not interchangeable! In this sense, there are variables of new quality in physics and other fields if one moves on to higher (reduced) descriptions. In physics, this new

quality consists of the characteristics of microscopic integrals that we usually cannot directly determine, but whose attributes and roles we can understand.

***Observations on the role of values in complex processes and on Marx's theory of value***

Following the above analysis of the role of values in physics, we now move on to the question of values and valorization in more complex processes. In the process of evolution of life and the associated complex systems on our planet, selection processes have played a fundamental role. Selection in evolutionary processes is always related to valorization and competition. Selection is the choosing of positively rated species in the process of competition between different species. We define competition very generally as a collective process that takes place in dynamic systems with a number of species. Competition exists when those species (subsystems) are all able to exist under current conditions and are pursuing a common goal that is not achievable by all of them in the same way. Under such conditions, a coherent process leads to the disappearance of one or more species (subsystems) from the whole system. Competition also exists in physics, when, for example, laser modes or hydrodynamic current modes are competing for energy resources. In ecology, one speaks of competition when one limited factor that is necessary for the survival of a species is being used by two or more species. Competition leads to selection, but only after a process of valorization. According to Charles Darwin, the species that is best adapted survives in the competition. This is the meaning of the term "survival of the fittest."

By the way, this apt formulation was apparently not coined by Darwin but by Spencer. There has been a long controversy about whether "survival of the fittest" is really a tautology. In my opinion, this is not the case, and the existence of "synergetics of evolution" is mainly based on the fact that Darwin's statement is not a tautology but one of the fundamental laws of evolution. Associated with this is the understanding that "fitness" can be evaluated objectively in the process of evolution. The most

important new concept in the theory of competition and selection is therefore the value or fitness in Darwin's meaning.

Morphogenesis also plays a central role in biology. An important aspect of morphogenesis is that each cell functions according to its own rules; nevertheless, a large organism develops without its "blueprint" written anywhere. In my opinion, social evolution functions in a similar way. Nobody has planned or has even foreseen the creation of our society in its current form. Instead, it was enough that throughout the millennia individuals acted accordingly to their own self-interests. In this way, without an overall plan (consider also the helplessness of many politicians), an imposing complex structure developed—a structure that at least in the overall sense is logical and useful. In this context I would like to recall the concept of Adam Smith's "invisible hand" and the laws formulated by Marx. As mentioned earlier, the concept of value was introduced to science first in relation to the development of economic theories by Adam Smith in the eighteenth century. Adam Smith's fundamental ideas were further developed by Ricardo, Marx, and many other economists, including Schumpeter. In a different social context, Malthus used the idea of valorization at the end of the eighteenth century. Parallel to the socioeconomic sciences, the concept of value was introduced to the biological sciences by Darwin, Wallace, Haeckel, Spencer, and others. In the 1930's, Wright developed the idea of a "fitness landscape"; this idea was advanced by many other writers such as Conrad, Schuster, and Kauffman. The fitness landscape is a kind of mountain range, formed by the scalar values above the space of the phenotypes. The phenotype space is understood as a vector space whose axes depict different phenotype attributes. Some examples of quantifiable attributes are weight, size, height, and maximum speed. The more abstract the concepts the more difficult it is to create mathematical models (Feistel and Ebeling 1989).

Our position is that values are nonphysical attributes of species (subsystems) in a dynamic context. Values express the essence of biological, ecological, economic, or social relations and interactions in reference to the dynamics of the complete system. In the

framework of model theory, values must be introduced as elements of axiomatic theory. The concept of value also plays a central role in modern informatics (Haken 1988; Vol'kenstein 1990).

The value concepts in the different branches of science share certain common characteristics. Feistel lists three characteristics (1991):

(i) Values that are associated with elements (subsystems, species, modes) of a system express holistic characteristics of the system. In no way can they be understood as characteristics of the element in isolation. In this sense the whole is greater than the sum of its parts.

(ii) Values are of vital importance for the structure and dynamics of evolutionary systems. They determine the relations between elements as well as their dynamics. Competition and selection are typical elements of this dynamic.

(iii) The dynamic of systems with value determination is irreversible and intricately connected with certain extremal principles. Only in special cases can these extremal principles be associated with scalar functions and total differentials. In general they exhibit a very complex, multicriteria character. We associate three functions with the valorization:

1. the regulating function
2. the differentiating function
3. the stimulating function.

The processes of valorization and optimization were of central importance for the development of life and the associated information processing. This is explored in a series of models where the investigations of the Eigen school of thought play a central role (Eigen 1971, Eigen and Schuster 1978). Eigen's studies and their further development by a whole number of researchers have led us to a new starting point for the understanding of our complex world, in spite of innumerable unsolved problems. Research in the natural sciences makes it clear that self-organization can and will lead to valorization, optimization, and complexity. In the wake of this research, Claudius's specter of the heat death of the universe has been pushed into the background, a position Engels had reached one and a half centuries ago.

A number of authors contributed to the mathematical model of Marx's theory of value, e.g., Koshimura (1978), Sraffa (1960), Sheikh (1973), Morishima and Catephores (1982). In this context, the contributions of Feistel (1977a, 1977b, 1986, 1990) and works from the field of evolutionary economics are especially relevant.

### ***Summary and conclusions***

In general, complex systems have only a few order parameters where control can be applied. In my view, values are one of the most important order parameters. The attempt to control complex societal processes should use very simple mechanisms to avoid triggering hazardous instabilities. One cannot overlook the fact that under certain circumstances instabilities may have catastrophic consequences that can only be predicted in a limited way. Risks occur in every effort to control societal processes. Over-control can have catastrophic consequences, as was shown in the late 1980s by the collapse of the social system in Eastern Europe. For this reason it is inadvisable to try to achieve control through "supermeasures by the state," i.e., through numerous levels of leadership, complicated regulations and a plethora of bureaucratic measures. It would be advisable to use control carefully, due to the special features of complex systems. It is less risky to achieve new behaviors by simple mechanisms than through drastic intervention. In any case, newly created regulations have to affect the order parameters. As we have shown, values are the main order parameters in biological and social systems. The most promising approach seems to be to influence behavior through moral values, convincing, costs, and taxes. One must not forget that this is not about special interests, but the survival of humanity and the natural environment. In the same way that the rules of behavior developed through a creative process in prehistoric times and early human history to enable group, family, village, city, or state survival, a massive creative effort of all humanity is needed today. This is a task especially for the younger generation, which, it is to be hoped, will develop new ideas and break open the encrusted structures. The formation of a viable future for our children, grandchildren, and great-grandchildren requires new ways of self-organization of

human life and interaction with nature. Growth must shift from the quantitative to the qualitative level, from senseless waste of resources to the development of diversity and innovation. Social self-organization requires limitations through regulatory mechanisms that have a bearing on the order parameters. Even necessary and inevitable instabilities require some control. A future with limited self-organization and controlled instability means diversity of species and modes of motion, ways of thinking and living against the background of self-limitation of thermodynamic costs and pressure on the natural environment. It means creativity and tolerance, means adhering to new moral rules and national or global laws. Values continue to be part of the order parameters that can be influenced by control mechanisms. The moral, social, and economic values formulated by Marx in his theory of society continue to be the main orientation variables of future social development.

*Leibniz Society*  
*Berlin*

#### NOTES

1. Dedicated to Erwin Marquit on the occasion of his 80<sup>th</sup> birthday.
2. <http://en.wikipedia.org/w/index.php?title=Value&oldid=74938126>.
3. Extremal or variational principles are procedures for determining the behavior of a physical system by varying the value of a mathematical function that represents the possible states of the system so that it attains a maximum or minimum (that is, an extreme) value.

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## MARXIST FORUM

In 1998, the Communist Party of Greece invited Communist and Workers' parties of other countries to a meeting in Athens to discuss international cooperation and consultation on areas of common interest. This was the first of what became annual meetings of Communist and Workers' parties hosted by the Communist Party of Greece.

On 10–12 November 2006, the annual meeting was hosted by the Portuguese Communist Party in Lisbon. It was attended by sixty-three parties. In the case of seven countries, two parties were invited. Spain was represented by three parties.

In this section of the Marxist Forum, we present the press release issued at the conclusion of the meeting, and, because of the importance of the recent elections in those countries, the Bolivian presentation and an excerpt from a Brazilian presentation dealing with the elections.

In the wake of the Baker-Hamilton proposals for U.S. policy on Iraq, we also include here an assessment of the proposals by a member of the Central Committee of the Communist Party of Iraq.

The crisis in Darfur is a reflection of the general political crisis in Sudan. The viewpoint of the Sudanese Communist Party on this crisis is given in a report reprinted here from the *Green Left Weekly* (Australia).

# **International Meeting of Communist and Workers' Parties, Lisbon, 10–12 November 2006**

## **Press Release**

1. An International Meeting of Communist and Workers' Parties took place in Lisbon 10–12 November 2006 under the theme "Dangers and potentialities of the international situation. The strategy of imperialism and the energy issue, the struggle of peoples and the Latin America experience, the prospect of socialism."

The Meeting, with the participation of sixty-three parties and to which seventeen parties that could not attend the meeting, for various reasons, sent messages of greetings, highlighted the most relevant aspects of the international situation. Besides expressing a vehement warning concerning the great threats of our time, it expressed confidence in the capacity of peoples to force imperialism to retreat in its hegemonic designs and achieve new advances, on the path of social progress, peace, and socialism.

2. The Meeting noted the increasing acuteness of the class struggle and underlined the need to intensify the struggle against neoliberalism and neocolonialism and against the offensive of exploitation by big capital, which—in attacking the most elementary human values—is responsible for the social, cultural, and democratic regression.

3. It was stressed that neoliberalism, militarism, war, and the attack against fundamental rights, liberties, and guarantees are inseparable components of the offensive by big capital and imperialism.

The struggle for the domination of the planet's energy resources and the control of their distribution routes is an important factor in the geopolitics of imperialism, both in terms of collaborations and in terms of rivalries, as is obvious in Europe, the Middle East, Central Asia, Africa, and in other regions.

At the same time, the participants denounced the wastage of energy resources by the unbridled consumption that characterizes capitalist societies.

4. It was considered that there is a need to intensify the struggle against militarism and war; for the withdrawal of the forces of occupation from Afghanistan and Iraq; to dissolve NATO and other aggressive military treaties; to drastically reduce armament expenditures and channel them to promoting development; to abolish foreign military bases. The urgency of placing the issue of disarmament, and, in particular, nuclear disarmament, once again on the agenda was underlined.

5. The generalization of attacks against fundamental rights, liberties, and guarantees of citizens was highlighted as a particularly disturbing trend in the international situation. The adoption by the U.S. Congress of practices of torture and state terrorism was condemned.

The participants present at the Meeting launched a vehement appeal for the struggle in defense of democratic freedoms, against the advance of the extreme right, against xenophobia; racism, religious fanaticism, and obscurantism; against anticommunism. They expressed their solidarity with the young Czech communists, demanding the reestablishment of the rights of the Czech Communist Youth. They rejected attempts to criminalize forces and peoples that resist capitalist exploitation and imperialist oppression.

6. The participants valued the growing resistance against imperialist interference and aggression and underlined the importance of strengthening solidarity with all peoples who are in the front ranks of that struggle.

They underlined the significance of the strong resistance that the U.S. and NATO occupation forces are facing in Afghanistan and Iraq. Threats against Syria and against Iran, which in the past few days have become particularly serious,

were condemned. Total respect for the sovereignty of Lebanon was demanded. They denounced the crimes perpetrated by Israel in Lebanon and in Palestine, and the complicity of the European Union with the USA, which is responsible for the situation of repression and humanitarian catastrophe in Gaza and the West Bank. They expressed their support for the struggle for Israel's complete withdrawal from all Arab territories occupied in 1967, in abidance with the relevant UN resolutions, as well as their active solidarity with the PLO and the Palestinian people in their struggle for the establishment of their own independent and sovereign state on territory of Palestine.

7. The concrete experiences of struggle in different countries and regions were generally present in the statements, confirming that the workers and peoples do not remain passive, and that, even in the present conditions, liberating advances toward sovereignty and social progress are possible.

The advances of the popular and anti-imperialist struggles that are sweeping through Latin America and the processes of sovereignty and cooperation in solidarity that are taking place there were greeted. Solidarity was expressed with socialist Cuba—reaffirming the demand for an end to the criminal blockade imposed by the United States—with the people of Venezuela and their Bolivarian revolution, with the people of Bolivia, and with other peoples of Latin America and the Caribbean.

8. The relevance and urgency of socialism were generally underlined. The exchange of opinions demonstrated the incapacity of capitalism to provide solutions for the urgent problems confronting the workers and peoples, and the threats to which capitalism exposes the future of the planet. Socialism increasingly emerges as an alternative to capitalism and as a condition for the survival of humanity itself.

9. It was underlined that the present international situation makes it particularly necessary to strengthen the cooperation of all progressive and anti-imperialist forces and, in particular, that of Communist and Workers' parties from all over the world. In this sense, the convening of this type of meeting was valued as an arena for the exchange of information, of experiences, of

points of view, and for the possible definition of common positions and initiatives. The importance of ensuring their continuity was considered.

Various topics, lines of action and initiatives for the development of the solidarity, and joint action of the Communist and Workers' Parties, as well as of other progressive and revolutionary forces, were proposed, namely:

- against militarism and war and, in particular, for the withdrawal of the forces of occupation from Iraq;
- for the dissolution of NATO and the abolition of foreign military bases;
- against the imperialist strategy in the Middle East and for actions of urgent solidarity with the Palestinian people and to send missions of solidarity to Palestine and Lebanon;
- of solidarity with Bolivarian Venezuela and Bolivia and with Socialist Cuba, with the promotion of a week of joint actions of solidarity with these countries;
- against historical revisionism, the whitewashing of fascism, and anticommunism, marking significant dates such as 11 September 1973 in Chile;
- against the neoliberal offensive to dismantle workers' rights and achievements, working to strengthen the mass action and the class-based trade-union movement, and in defense of migrant workers;
- to take advantage of participation in international events to hold meetings and coordinate the activity of Communists;
- to stimulate cooperation on a regional basis and on specific issues, among the parties.

The importance of the battle of ideas in our times was highlighted. The participants stressed the importance of marking the ninetieth anniversary of the October Revolution with various initiatives and expressed their support for the project of an international event to be held in the Russian Federation.

The Portuguese Communist Party informed of its intention to promote an international event, on a European level, in connection with the Portuguese presidency of the European Union, which will take place in the second half of 2007.

10. The date, venue, and theme for the 2007 International Meeting will be decided by the meeting of the Working Group of Communist and Workers' Parties that will take place in due time and will be announced in a press release.

11. The Meeting adopted an "Appeal against Militarism and War, for Freedom, Democracy, Peace and Social Progress" and a "Motion of Solidarity with Latin America and Cuba."

12. This Meeting was attended by the Parties included in the list that is annexed to this press release.

LIST OF PARTIES ATTENDING  
(in alphabetical order by country)

Algeria: Party for Democracy and Socialism  
Communist Party of Argentina  
Communist Party of Australia  
National Liberation Front of Bahrain  
Workers' Party of Belgium  
Communist Party of Bolivia  
Communist Workers' Party of Bosnia and Herzegovina  
Communist Party of Brazil (PCdoB)  
Brazilian Communist Party (PCB)  
Communist Party of Canada  
Communist Party of China (observer)  
Communist Party of Chile  
Socialist Workers' Party of Croatia  
Communist Party of Cuba  
Progressive Working People's Party of Cyprus /AKEL  
Communist Party in Denmark  
Communist Party of Denmark  
Czech Republic: Communist Party of Bohemia and Moravia  
Communist Party of Finland  
French Communist Party (observer)  
Unified Communist Party of Georgia  
German Communist Party (DKP)  
Communist Party of Britain  
New Communist Party of Great Britain

Communist Party of Greece  
Hungarian Communist Workers' Party  
Communist Party of India  
Communist Party of India (Marxist)  
Tudeh Party of Iran  
Iraqi Communist Party  
Ireland: Workers Party  
Italy: Party of Communist Refoundation  
Party of the Italian Communists  
Revolutionary Peoples' Party of Laos  
Socialist Party of Latvia  
Lebanese Communist Party  
Luxemburg Communist Party  
Communist Party of Macedonia  
Communist Party of Malta  
Mexico: Party of the Communists  
Mexico: Popular Socialist Party  
New Communist Party of the Netherlands  
Communist Party of Norway  
Peruvian Communist Party  
Communist Party of Peru—Pátria Roja  
Portuguese Communist Party  
Communist Party of Russian Federation  
Russian Workers' Communist Party—Russian Party of  
Communists  
Serbia: New Communist Party of Yugoslavia  
Communist Party of Slovakia  
South African Communist Party  
Communist Party of Spain  
Party of the Communists of Catalonia  
Communist Party of the Peoples of Spain  
Sudanese Communist Party  
Communist Party of Syria  
Syrian Communist Party  
Communist Party of Turkey  
Turkey: Labour Party / EMEP  
Communist Party of Ukraine

Union of Communists of Ukraine

Communist Party USA

Communist Party of Vietnam

## **Presentation by the Communist Party of Bolivia to the International Meeting of Communist and Workers' Parties**

The rise of Evo Morales to the presidency of Bolivia on 22 January 2006 has created an important change in government and opened up a space marked by a progressive democratic politics of the masses, infused with anti-oligarchic and anti-imperialist content. What initiated this development was the rise to governmental power by a political delegation, backed by a broad base of mass movements advocating an end to the old capitalist neoliberal model imposed on the nation by the Supreme Decree 21060. This decree was simply a transfer to Bolivia of the so-called Washington Consensus, the ideological basis for the economic plan of neoliberalism.

Over the course of twenty years, the challenge of an increasingly cruel reality, adverse to the existence of workers, causing the loss of their rights, unemployment, and the extreme degradation of their living standards, led to their growing political consciousness, manifest in ever more decisive actions. High points of this resistance included the explosive onset of the “war over water” in Cochabamba in April 2000. This was the first action that resulted in expelling a transnational company from the land. Next came the movements of September and October 2000, January 2002, and February 2003. The events in February, in particular, caused a confrontation that shook Bolivian society. This followed an attempt to tax salaries, which exploded in mass outrage, including a revolt by the police, ending in a brutal battle.

*Nature, Society, and Thought*, vol. 19, no. 2 (2006)

These developments, considered a revolutionary situation, unfolded in October of the same year, became the main reason for replacing the Sanchez de Lozada government, once believed to be the true model, a lever to solve the political crisis. The masses had placed on the agenda the recovery of “gas for Bolivians,” a referendum that would set the policy on petroleum and the convocation of a Constituent Assembly. In these conditions a mass movement was created, resulting in expelling the neoliberal president.

But the mass insurrection in October did not actually lead to replacing the political representatives of the dependent regime. What succeeded them was a kind of “light” neoliberalism. Although mass actions and mass movements are the true engines of political change, the Bolivian political system and especially parliament and the traditional parties were hardly a factor in solving political crises in recent years. In June 2005, just as in October 2003, the parliament limited itself to sanctioning the president’s transgressions. The loss of prestige by the Right and the conservative parties, their lack of credibility, and their weakening by corruption caused their isolation and even open rejection by the masses. But neither did the left parties play a strong role in the unraveling events; they also were apparently outpaced by social movements.

Under these conditions, the Movement for Socialism (MAS) and its presidential candidate, Evo Morales, were victorious in the elections of December 2005, winning 53.7 percent of the electorate. The Right suffered its most humiliating defeat in the past fifty years.

The strength of mass struggles continued to grow, and a permanent rise of mass awareness demanded real change and an end to neoliberalism. That is to say, the main force that mobilized and captured the vote for Morales had social content and meaning. It represented the motion of mass social forces and the confrontation of classes in the nation’s heartland; its stand for national dignity assumed an anti-imperialist stance.

As the Ninth National Congress of the Communist Party of Bolivia (PCB) pointed out last July, the Evo Morales government has taken steps that signal an important advance: initiating

the recovery of proprietary rights over petroleum, the signing of important agreements with Venezuela for industrializing the gas industry, preparing the distribution of lands owing taxes, and breaking up unfarmed latifundios. A wide-ranging literacy campaign has begun, as well as a broad campaign to expand medical services to the most marginalized sectors of society. In both of these instances, we must highlight Cuba's tremendous solidarity and fraternal aid.

Other features that mark the current process include the participation of the Morales government in agreements of social and economic integration, such as ALBA (the Bolivarian Alternative for the Americas) and the TCP (the Peoples' Trade Treaty), preparing to enter economic agreements like MERCOSUR, and rejecting those free-trade agreements imposed to block sovereign and beneficial development for our nation. Finally, we must emphasize that these initiatives are transparent, which is praiseworthy especially given the negative experience left by neoliberal governments since 1985.

It is appropriate to evaluate these progressive measures positively; we must point out, at the same time, that these do not fill the framework of a democratic and progressive program. They are still short of trying to overcome dependency and, above all, surpassing the limits of managing and developing the nation within capitalist boundaries. We reaffirm our Party's stance of struggle and a Communist policy, so that the Bolivian process may become more anti-imperialist, anti-oligarchial, mass-oriented, and democratic in character. This can ensure a future transitional stage to higher forms of social organization—that is, the recovery by our nation of its course toward socialism.

Our Ninth Congress analyzed the dangers menacing this process, above all, reaction's escalating destabilization, especially by the ruling classes in the East, and the growing activity by fascist-inspired groups. We pointed out the need to explain, especially to the people in the East, that they must not let themselves be blinded by regionalist or even separatist feelings, which now hide behind the mask of autonomous rule. In this aspect the work of our Party, of our sympathizers and friends on the true Left, and

the representatives of MAS should act jointly in the arena of the Constituent Assembly, with a deep sense of our national situation and, above all, with the motto of defending the unity of our republic, democracy and its sovereign development, within the framework of Latin American integration and solidarity.

We must take on the urgency of realizing the most democratic and broadest unification of the Left's political forces and trade-union and social organizations in a broad antineoliberal grouping. This should root out all the authoritarian and hegemonic methods of government from public institutions and our own social organizations. Fighting doggedly for unity, the Ninth Congress ratified the need to launch a huge ideological struggle for political clarity transcending its own ranks, in order to mobilize the masses and with them achieve new goals for social progress, real democracy, and national sovereignty.

Currently, Bolivia is undergoing an extremely delicate and complex political situation that poses a grave danger for continuing the progressive and democratic process begun last January. Among the factors producing this situation, the following stand out:

- plans (with the fingerprints of Yankee imperialism) to destabilize our nation, in particular by the Eastern oligarchy and right-wing reactionary parties;
- lockouts and blockades; meetings of regional administrators and ruling civic committees;
- defiant actions against the inauguration of the nation's president;
- calls to convene a parallel Constituent Assembly, even to carry out a referendum with obvious separatist aims;
- a "civic" strike aiming to force the population in four states (departments) to stop its work; the return of shock troops and murder squads. To achieve their subversive plans, they fomented social disorder and civil disturbance to drag our nation into chaos;
- plans by the reactionary right to unleash a secessionist civil war; rearming and organizing former paramilitary forces. Thus in eastern Bolivia foreign forces have been detected being trained to commit criminal acts against the ranks of the very separatist

opposition, to sabotage important installations and blame the official regime;

- a rise in the number of U.S. troops on the base “Advanced Operative Establishment” in Estigarribia, Paraguay. The imperialists are preparing ways and means, including diplomatic ones, which at a specific time by invoking the “Democratic Charter” of the Organization of American States will allow intervention and occupation;

- creation of chaos and disorder by infiltrating social and trade-union organizations to incite them to demands and expectations difficult to realize; provocations incited by use of a falsely leftist and popular rhetoric succeed in confusing some mass sectors and lead them into taking absurd measures.

On the other end, the government’s faults and errors cause discouragement and pessimism and feed the people’s frustration. There are vacillations, gross contradictions, and a lack of cohesion in the central government, exacerbated by the disunity of MAS. We detect the existence of a group surrounding the president that blocks the implementation of measures for which the majority of the people voted. This is not a “White-Mestizo” group; color or ethnic differences in our nation have no place here. However, it is a political struggle between pseudo-revolutionaries or opportunist servants of the transnational corporations against those who truly want to advance a program of national and social liberation.

Other mistakes involve the lack of initiative in the ministries and in public distribution caused by the permanence of functionaries from past neoliberal regimes and the presence of careerists and featherbedding among those recently enlisted by MAS. Another reason is the poor deployment of leadership teams; some officials have good intentions but lack the preparation required by the needs of the moment.

Similarly, the Constituent Assembly installed last August is another important arena where the battle of opposed interests—the progressives and conservatives—is being fought out.

They attempt to stall the Assembly by an arithmetic ruse about voting percentages that simply protects the old neoliberal

institutions by decisions that block progressive trends and structural changes for the nation. It is evident that the discourse about “legality and democracy” is a cover for conservative operatives using civic, business, and administrative capers to deter the feasibility of any process for structural change. Regional entrenchment amounts to opposing actual advances presented by the new Constitution in face of the demands by urban and rural workers to preserve real sovereignty over our natural resources and Bolivia’s self-determination.

Nevertheless, the process and administration led by citizen Evo Morales is also very new. It is only a bit over nine months old. It is possible to change course, improve the initiatives of the government, specify the goals, and cleanse the state’s apparatus of saboteurs and hidden enemies. Our people have not lost the necessary clarity to reject those attempts to subvert our nation, to provoke clashes between Bolivians from distinct regions, and to endanger national unity and democracy.

Given the prior course of the Bolivian sociopolitical process, it is fitting that the following features delineate the dominant tendency:

In the field of economics, the most conservative estimates agree that the current situation is not only stable but also is tending to improve constantly, and although the time for hearings on the start of nationalizing petroleum has not concluded, new contracts have been adopted with nearly all of those petroleum firms operating in our nation. This requires a climate of legal stability under a new tax regimen, which grants the state 32 percent more revenues from the main oil-producing fields, amounting to a substantial resource to enrich future tasks strategically.

In the mining sector, the crisis unleashed by the bloody conflict between salaried union workers and cooperatives in Huanuni (Oruro) in the beginning of October, after causing a change of the region’s minister, has imposed a distinct and troubled policy advocating the reconstitution of the Bolivian Mining Consortium (COMIBOL). The hiring of over 3000 workers poses a serious challenge in itself, which the Left must take on in the political, ideological, and organizational spheres.

In the social realm, after overcoming various conflicts in the sectors of urban teachers, transport owners, prison inmates, and pressure from regional civic and business organizations, new possibilities were opened by the income from contracts ratified with petroleum transnationals promoting the hydrocarbon nationalization project.

The “cultural and democratic revolution” process required by a strategic and organic program faces new challenges to advance along the path of liberation without concessions. In light of all that has been explained, the Communist Party calls upon the Bolivian people, its working class, rural and city workers, its youth and revolutionary intellectuals to join ranks in defense of national unity and democracy and to defend our national motto: Front against Reaction, Unity of the Mass and Revolutionary Sectors.

*Translated by David Oberweiser  
San Francisco*

## **Remarks on the Brazilian Elections by the Communist Party of Brazil (PCdoB)**

Lula da Silva's reelection, after a first period of government marked by an objectively unfavorable situation in view of the economic fragilities of the country vis-à-vis international financial capital, and subjectively conditioned by a moderate political vision tending to conciliation, is a positive event that goes far beyond the national and regional boundaries. Brazilian Communists value this important achievement over the Brazilian right-wing, antidemocratic, repressive, neoliberal, antinational, and antisocial forces that have been defeated twice in presidential elections by a coalition of democratic forces. The success of a government with this character helps to stop the imperialist drive for domination of the continent, and, in spite of all objective and subjective limitations, opens the best possibilities for the growth of anti-imperialist forces in Brazil and Latin America. That is why Lula's reelection was celebrated by Communist parties and revolutionary leaders of all continents, in a demonstration of solidarity with our people and with our country, which we appreciate and would like to repay. The solidification of patriotic forces in Latin America allows us to advance to a regional unification process, crucial to the economic development and to resistance to U.S. neocolonialist plans. Its dimensions are more than economic. They are also social and cultural, of which Mercosul, Latin American Community of Nations, and the Bolivarian Alternative for Latin America are important expressions.

From the presentation by the Communist Party of Brazil to the International Meeting of Communist and Workers' Parties, Lisbon, 10–12 November 2006.

# **Iraqi Communist Party View of Challenges Facing Iraq after the Baker-Hamilton Report: Interview with Iraqi Communist Party Central Committee Member Salam Ali**

**John Foster**

Reviewing the situation in Iraq after the Baker-Hamilton report, Iraqi Communist Party Central Committee member Salam Ali says that Iraq is facing a crossroads and enormous challenges in the period ahead. He identifies the key tasks as national reconciliation and the defence of the political and economic sovereignty of the Iraqi people.

“The Baker-Hamilton Iraq Study Group was established nine months ago and its general proposals were not unexpected, having been widely leaked over previous weeks,” he says.

“What gave it political prominence was the defeat of the Bush administration in the recent U.S. Congress elections and the need to reestablish a policy basis acceptable to both Democrats and Republicans. Some elements are welcome. Others could prove dangerous.

“Welcome is the acknowledgement of the disastrous consequences of the Bush strategy for an indefinite U.S. military presence in Iraq as well as its handling of the occupation since 2003.”

However, Ali continues, “less welcome is the report’s failure to set a definite timetable for U.S. withdrawal and opening the

door for more interference by regional powers in deciding Iraq's political future. The Iraqi people must be empowered to decide their own destiny with their own free independent will.

"The report simply talks about a possible withdrawal of combat troops in 2008, accompanied by the deployment of a continuing U.S. military force to other duties. This would be a compromise quite acceptable to Bush and on this basis the U.S. would continue to seek a determining long-term influence.

"The report's proposal for the involvement of regional forces, particularly Syria and Iran, again, has some positive aspects but also holds considerable dangers. Its immediate effect has been to intensify a jockeying for position by Islamists aligned on a largely sectarian basis to regimes outside Iraq.

"Jordan, Saudi Arabia, and Egypt would see themselves as threatened by an increasing influence for Iran and would seek to do deals with forces inside Iraq to prevent it. Equally, Islamist political forces in Iraq, currently embroiled in an intense power struggle, would see themselves threatened depending on the outcome."

But the big danger presented by such involvement is that the future of Iraq would be horse-traded over the heads of the Iraqi people and in violation of the political process in Iraq, leading to further political destabilization.

Such objections would equally apply to an international or regional conference, as proposed by the UN in vague terms, unless the Iraq government and parliament were actively involved in setting the agenda and objectives.

***The strategy of the Iraqi Communist Party,  
says Ali, has three strands***

First, widening the base of the political process in Iraq. Second, strengthening the cohesion of those political forces that can be brought together to defend national sovereignty and democracy. Third, developing mass activity in defense of critical aspects of Iraq's sovereignty on the economic front.

Widening the base of the political process was the objective of the National Reconciliation Conference held over the weekend of

13–14 December. It was preceded by conferences for civic organizations and for the tribes. But this third conference, for political parties, was the most critical.

It is too early, says Ali, to determine how successful it has been. But it did, significantly, involve some former Ba'athists and army officers as well as parties involved in the political process, representing the United Iraqi Alliance (Shi'ite), the National Accord Front (Sunni), and the Kurdistan Alliance.

The Communist Party's leader, Hamid Mousa, spoke on behalf of the democratic and secular Iraqi National List, which currently has twenty-five deputies.

The conference was boycotted by those Shi'ite forces led by Moqtada al-Sadr, despite their representation in the government, and by the Sunni Association of Muslim Clerics, which is opposed to the political process.

Militias and armed groups associated with or tacitly supported by these forces have been deeply involved in the mutual communal violence and sectarian strife. More fundamentally, however, both sides are seeking to use the conflict to assert political control within their own communities over less sectarian forces.

The key issue discussed at the conference was how to overcome the resulting violence that is now threatening to spill over into unbridled communal conflict.

Here, the conference was harshly critical of U.S. policy. The weakness of Iraq's own security forces has been no accident nor has their infiltration by sectarian elements and militias.

As admitted in the Baker-Hamilton report, the United States has, for three years, disastrously limited the scale and resources of the Iraqi armed forces and assumed a monopoly control over their training and recruitment. A weak, divided Iraqi army provided the international excuse for a long-term U.S. military presence.

The government, it was argued, must take back control of security, make full use of professional army resources in Iraq and rebuild the armed forces on a national, nonsectarian basis.

Implementation, says Ali, depends on the second strand of the party's strategy—strengthening the cohesion of the political forces

willing to fight for the sovereignty of the Iraqi people, irrespective of sectarian and ethnic divisions.

There are signs of a realignment of political forces and discussions continue for a new initiative to resolve the current political impasse. Among the political parties involved in this are the two Kurdish parties, the (Shia) Supreme Council of the Islamic Revolution, and the (Sunni) Iraqi Islamic Party.

One key test is presented by one of the most contentious proposals in the Baker-Hamilton report. This concerns the status of the oil-rich province of Kirkuk, with an ethnically mixed population of Kurds, Turcomans, and Arabs, and whether it should be part of the federal Kurdistan region.

Currently, this is being resolved internally in line with the agreement incorporated in the constitution endorsed last year. This involves the carrying out of a census and a referendum to be completed within twelve months.

The Baker-Hamilton report proposes postponement of the referendum and the possibility of an externally imposed settlement. This, stresses Ali, could lead to a wholesale unravelling of the constitution and the federal settlement that underlies Iraq's existence as a unified state.

This defence of the constitution is, in turn, linked to the third strand of the party's strategy—defending the economic sovereignty of the Iraqi people. Here, 2007 will also be a critical year.

The assault on the economic rights of Iraqis has been hidden by the communal violence.

The IMF and the World Bank have been putting immense pressure on the Iraqi government, using its inherited debts as blackmail to implement restructuring and neoliberal economic reforms, such as removing the subsidies for food and fuel, abolishing food rations, and revaluing the Iraqi currency—measures that would have terrible consequences for an already battered and impoverished population.

Mass protests earlier this year against the price increase of fuel products forced the government to amend its policy.

Strategically, the future of the still publicly owned oil industry is even more important. The constitution defends public ownership

and the fair distribution of the revenue to all provinces and sections of the Iraqi people.

But a draft law on the oil sector is going to parliament next month, and again there is great pressure to open the industry to investment by external oil majors on the pretext of securing new equipment and technology.

Those committed to defending Iraqi sovereignty are demanding that the strategic oil sector remain under public ownership and state control, especially Iraq's huge oil reserves, the second biggest in the world.

They are also calling for the establishment of an Iraqi national oil company that would administer and supervise the exploration and development of oil and gas fields.

"A very great deal," says Ali, "depends on securing sufficient national unity and national consensus among political forces to defend the fundamental rights and interests of the people and the existence of Iraq as a unified federal and democratic state.

"This is vital economically on a day-to-day basis for the survival of working people. It is also vital if Iraq is to take a stand against imperialist control, rather than remaining a victim of it, and contribute to peace in the Middle East and the whole world."

Reprinted from the *Morning Star* (London), 16 December 2006.

## **Sudanese Communists Discuss Prospects for Peace**

**Kerryn Williams**

*Late last year, Green Left Weekly's Kerryn Williams spoke to the assistant secretary of the Sudanese Communist Party (SCP), Suleman Hamid El Haj, in Khartoum about political developments in Sudan since the January 2005 signing of the Comprehensive Peace Agreement (CPA). The CPA ended the two-decade-long war between Sudan's central government in Khartoum and the south.*

Suleman explained that while the SCP was sceptical of the CPA and criticized many of the agreement's elements, the party supported its signing. "Firstly because it stopped the war. There was so many lives lost and a lot of destruction in the south. The war was an obstacle to development. The government was spending US\$2.5 million on the war every day. Now doors are opened for development in the south and north, especially after the discovery of petrol in such big quantities."

However, Suleman said there are still major issues to be resolved. He noted that many southerners who were working in the north or living in refugee camps "returned to the south and then [left], because there is no infrastructure there . . . bridges, railways, hospitals etc. were all destroyed in the war."

The SCP believes the CPA must be fully implemented to begin to overcome these problems. Suleman explained that the

SCP also supported the agreement because “it opens some doors to democratic changes. Political parties have greater space, an interim constitution is in place for six years and there is a chance for democratic elections to be held.”

The SCP has three members in the current parliament, of which Suleman is one. “There are 20 positions for opposition parties out of 445—it’s a very weak opposition.” The ruling National Congress Party (NCP—formerly the National Islamic Front, which seized power in a military coup in 1989) has 52 percent of seats in the appointed assembly, the Sudanese People’s Liberation Movement (SPLM)—which led the resistance in the south—has 28 percent, the northern parties have 14 percent and the remainder of seats are filled by other southern parties.

The SCP decided to accept its appointed positions in the legislative assembly “so we have a position to declare our political party lines and can address the people.” “No one ever thought that from the parliament you can work to replace the government, which by itself (without its partners) has 52 percent.

“But inside the parliament we are trying to create a kind of front—although it is not large in numbers it has a certain influence. We have stopped some presidential decrees, including one that would give protection to the military from prosecution.”

### ***Democratic change***

The SCP is struggling for the limited democratic changes to be expanded. “There is a new draft law for parties before parliament. We are fighting for it to be a democratic law,” Suleman explained. However, article 18 of the draft law would establish a council that has the right to dissolve parties if they criticize or oppose the CPA. Suleman said that this violates Sudan’s constitution, which places no obstacles to party registration. “Parties just hand over their constitution to the registrar of parties. This council has the power to do whatever—to dissolve, to register or not register parties.”

Many points of the CPA have not yet been implemented. “For example, according to Nevasha [as the CPA is often referred to], the national security council is a professional body, just to

collect data, analyze it, and provide information. But the security forces are still active as if Nevasha was not signed. They still arrest people, torture them, even kill some people. Now this can even involve their new partner, the [Sudanese People's Liberation Army—the armed wing of the SPLM].”

A major barrier to the implementation of the CPA is the active presence of militias, which should have been disbanded. “For example, the popular defense militia, which is a government militia, is heavily armed, even with tanks, and so on. In certain areas it is nearly as powerful as the army.”

Another example, Suleman says, is the janjaweed, responsible for much of the slaughter in Darfur, “which was formed by the authorities and is still supported by the authorities. Two militia groups still active in south Sudan represent a great threat to the peace agreement.”

Suleman pointed to other aspects of the CPA that remain on paper only. “In the civil service there is supposed to be an organization that looks into how to employ people from the south according to their qualifications and experience, but this has not been initiated.

“The NCP controls all the key positions in all aspects of government. The role of the SPLM has been weakened and marginalized. It is not involved in decision making on the major issues, such as the budget.”

In addition to the massive destruction wreaked on the south by twenty-one years of war and the failure of the government to seriously implement the CPA, Suleman said that the “actual practice of the SPLM in the south” is another factor in the lack of advances made in the past two years. “The SPLM began to behave the same in government as those in the north, engaging in corruption, for example. On paper the government in the south has very good plans, but nothing has been implemented. This has led to great shortages of water, electricity, and other necessities of life.

“Industries that previously flourished, including canned fruits, textiles, rice cultivation, and wood cutting, were halted by the war and have not been revived, so there is a lot of unemployment.

“There is a reasonable income from petrol, but it’s not used properly, not even to support the major industries.” Additionally, money from international donors “hasn’t been used properly, and much of it still hasn’t arrived.”

Suleman argued: “There is still a chance for both governments in the north and south to move things in the right direction, to restart industries, to increase people’s living conditions.” He said there is a great burden on the national democratic movement “to work together to fight for the reconstruction of the south and to involve the populations. The alliance between the democratic forces of the south and north will be decisive in the coming period.”

As part of the CPA, a referendum providing the people of the south the option to vote for independence is to take place at the end of the interim period. Suleman speculated that if the current conditions don’t change, people are likely to vote to secede.

Suleman told *GLW* that the death of John Garang, the former leader of the SPLM/A who was killed in a helicopter crash in July 2005, “was a big loss, not only for the people of the south and the SPLM/A, but for the whole of Sudan. He was calling for a new Sudan.” Suleman emphasized the need for “the active role of the popular movement to bring back the emphasis of unity that was headed by Garang. His loss can definitely not be replaced by one person, but if the movement can work cohesively and the SPLM can strengthen relations with democratic forces, then we can definitely achieve what Garang was fighting for.”

### ***Darfur genocide***

Suleman rejects claims by the Sudanese government that the conflict in Darfur, in the country’s west, was caused by tribal conflicts or interference from foreign organizations. “The Darfur problem is a political, social, and economic problem. We are calling for a political, economic, and social solution, not one through armed conflict. The root is in the political marginalization of the people of Darfur.”

Suleman explained that some six million people live in Darfur—almost 20 percent of Sudan’s population—and “they contribute significantly to the national economy. Darfur has the

largest source of animals—cattle, camels, and sheep. Moreover, traditionally people from the west used to join the army. A majority of soldiers came from west Sudan.

“Yet true representation in government and politics is not given to the Darfur people and those appointed to work in Darfur have allegiance to the NCP and the government rather than the people of Darfur.

“Darfur is the most underprivileged province in Sudan and all the services are at a much lower level than other parts of Sudan.”

According to Suleman, in the early 1980s Islamic political leader Hassan al Turabi began pushing a plan for the “whole of Sudan to be transformed into an Islamic country, especially Darfur. He planned strong security and borders in Darfur and southern Kordofan to protect the Islamic government established in Khartoum from other forces, internally and externally. But the local tribes—both of Arab and African origin—rejected the idea.

“The plan was to settle certain tribes of Arab origin from Burkina Faso, Central Africa, Chad, and Libya. Once you settle these people you give them more facilities and they can easily replace the original population.” It is a similar plan, Suleman said, that is being implemented to a certain extent now. “Most of the forces in the janjaweed are from these recently resettled tribes.”

The SCP is in favour of a UN peacekeeping force that has “one mandate—to protect the people of Darfur from the atrocities being committed and to try to reach a peaceful solution,” but opposes any other “foreign intervention under any pretext into Sudan.”

“More than 200,000 people have been killed, 40,000 villages burned, 2–3 million people displaced, thousands raped and abused. The data is terrifying. The forces of the African Union have failed to protect or defend the Darfur people, due to many reasons.”

Suleman said that Sudan’s government “cannot be trusted to bring the violence to an end,” because “it is the major element that created the problem.”

Conflicting media reports of the Sudanese government’s response to proposals for a UN force reflect the balance of forces within the government, according to Suleman. While in essence the government accepts the inevitability of the intervention, it is

“buying time and trying to save face, by raising questions, such as who will lead the forces, how many troops will there be, etc.”

“Key people in the government may be prosecuted in the International Court of Justice. This makes them hesitant—already some names are circulating around, including very top people in the government.”

Suleman pointed out that vice-president and SPLM/A leader Silva Kiir has a different position to the government and supports the intervention, but has said that he has not been consulted over the government’s response.

### ***U.S. oil interests***

Suleman explained that U.S. imperialism in Sudan is mainly interested in the country’s oil and mineral resources. A further U.S. concern “is the geopolitical importance of Sudan, being between Africa and the Middle East and its relationship with the Horn of Africa.”

“Even though there are apparent antagonisms between the United States and the Sudanese government, the United States is convinced that this is the best regime to serve it.”

Reprinted from International News, *Green Left Weekly*, no. 695, 24 January 2007.

## **More Papers from the *NST* Conference/ Study Tour in Vietnam, January 2006**

A conference on the theme “Consequences of the Changing World Economy for Class Relations, Ideology, and Culture,” cosponsored by *Nature, Society, and Thought* and the Ho Chi Minh National Political Academy, was held in Hanoi 9–11 January 2006. The conference was embedded in a two-week study tour that included visits to various parts of Vietnam. A selection of conference papers appeared in *Nature, Society, and Thought*, vol. 19, no. 1. In this issue we present more papers from the conference.

# The International Traffic in Asbestos

R. Scott Frey

## *Introduction*

World-systems theorists contend that peripheral countries are dependent on the core countries for capital, technology, and expertise (see, for example, Chase-Dunn 1989; Wallerstein 1974–1989, 1979). Such dependent relations reduce the choices available to peripheral countries and place them in weak bargaining positions with the core countries. Many core countries take advantage of this situation by exporting to the periphery hazardous production processes, products, and wastes that are banned or heavily regulated, obsolete, or of declining market value in the core (e.g., Frey 1995, 1997, 1998, 2003). Since few peripheral countries have the ability to assess and manage the risks of hazardous exports, the export practices of the core countries contribute to the health, safety, and environmental risks of the periphery (Frey 2003).

I examine here one core-based hazardous export, asbestos, and the role played by Canada in the export of asbestos to the periphery. This particular form of core-periphery reproduction is approached in several steps: first, the nature of asbestos production and trade is examined. Next, the political-economic forces driving the transfer of Canadian asbestos to the periphery are outlined. I then consider the extent to which this transfer contributes to health and safety risks in the periphery, and conclude with a brief discussion of what might be done to curb the problem.

***The nature of asbestos production and trade***

Asbestos is a commercial term for several fire-proof mineral fibers. It has several distinguishing properties that have fostered widespread use: incombustibility, high tensile strength, good thermal insulation, good acoustic performance, resistance to solvents and most chemicals, and good reinforcement when mixed with cement (Alleman and Mossman 1997; Virta 2003). It is used in brake linings and pads, cement products (pipes and building materials), building insulation and coating materials, and various textile products. Asbestos has also been used in a host of other products, including fiber gloves and electrical appliances such as irons, toasters, hairdryers, and washing machines.

Russia and Canada are the largest producers and exporters of asbestos, and Brazil, China, Kazakhstan, and Zimbabwe are the next largest producers (Virta 2003). Asbestos production and consumption have declined in the core countries since the 1970s, but production has increased in such nontraditional producer countries as Brazil, China, and Russia. The decline in core production and consumption is linked to the controversy surrounding the adverse health consequences associated with exposure to asbestos dust. During this period, the overall peripheral production and consumption increased.

Canada is the second largest producer and exporter of asbestos (Virta 2003). Of the 320,000 metric tons of asbestos produced in Canada in 2000, 315,260 tons were exported. Around 80 percent of the asbestos produced in Canada is mined in Quebec. Most of this is mined by La Société Nationale de l'Aminante (SNA), which was established by the provisional government in 1978. The remainder of Canada's asbestos is mined in British Columbia and Newfoundland (Huncharek 1993; Kazan-Allen 2004).

Canada's asbestos exports to the core countries declined by 50 percent in the 1980s, while its exports to the peripheral countries grew substantially during the same period. For instance, during the 1980s, asbestos exports to Algeria increased by 1,000 percent, and exports grew by more than 300 percent to South Korea, Sri Lanka, and Taiwan. Asia has become the most significant market for Canadian asbestos, accounting for 60 percent of all exports.

However, between 1985 and 2000, Canada's total exports dropped by roughly 50 percent. Canada has experienced a decline because exports to core countries fell faster than the growth in exports to the periphery (see, for example, Huncharek 1993 and Virta 2003).

### ***The political economy of Canadian asbestos exports***

Several political and economic forces characterizing relations within and between core and peripheral countries have contributed to the growth of asbestos exports to the periphery. The contradictory demands of capital accumulation and the increased regulation of asbestos in the core led Canada to increase its marketing of asbestos in the periphery. Economic conditions and state policies of many peripheral countries have also encouraged asbestos use. And the policies of several international financial and development organizations have contributed to increased asbestos use in the periphery.

### ***Problems in the core***

Asbestos use in the core grew dramatically after World War II, but it has declined substantially since the early 1970s (Alleman and Mossman 1997; Virta 2003). This decline is attributed to increased core regulation of asbestos mining, workplace exposure, air pollution associated with industrial manufacturing, the marketing of products containing asbestos, maintenance and removal of asbestos from buildings, and waste disposal. Increased regulation has reduced demand for asbestos in the core and, in turn, reduced revenues for major producers like Canada (Huncharek 1993; Virta 2003).

Since the Canadian and Quebec governments have a financial stake in continued asbestos mining and production, as does the asbestos industry, efforts have been undertaken to revitalize the market. The state and the asbestos industry have spent millions of dollars in the marketing and promotion of asbestos in the peripheral countries. The benefits of asbestos have been emphasized and its risks suppressed (see, for example, Bohme et al. 2005; Egilman et al. 2004; Egilman and Billings 2005). There are numerous accounts of asbestos shipped without warning labels and of efforts to pressure peripheral countries against regulating asbestos. Canadian asbestos interests have engaged in a host of

other unscrupulous activities, ranging from the shipment of large quantities of asbestos free of charge to the sponsorship of trade fairs under the guise of international scientific conferences. These activities have been tolerated because there are few restrictions on the activities of international capital in the periphery (Huncharek 1993; Kazan-Allen 2004).

#### *Problems in the periphery*

Confronted with poverty and the resulting political pressure, debt, low commodity prices, and a world system that does not allow them full participation in economic production and exchange (Chase-Dunn 1989), many peripheral countries have chosen the path of rapid industrialization. As a result, they are willing to take anything offered to them (hazardous products and production processes such as the milling and use of asbestos in textiles, cement products, and related products) that may advance their economic and developmental interests. Canadian exporters have found a ready market in the periphery for their asbestos, because many peripheral countries need cheap and durable building materials and pipes for transport of sewage and water. In turn, economic incentives provided by Canadian asbestos interests (in the form of bribes and kickbacks to state authorities) encourage peripheral state support of asbestos imports. These interrelated forces represent strong incentives for many peripheral countries to import and use Canadian asbestos (e.g., Huncharek 1993; Jeyaratnam 1994; Kazan-Allen 2004).

#### *Role of international banking and developmental organizations*

Many international banking and developmental organizations have acted as an asbestos support group as peripheral countries have attempted to industrialize their economies and deal with public health problems centering around water quality and sewage control. Lending policies of the World Bank, the International Monetary Fund, the Inter-American Development Bank, and other regional development banks have promoted asbestos use by providing loans for the construction of textile plants using asbestos and asbestos cement plants, as well as construction projects using asbestos building materials. Various United Nations organizations

have provided technical information and assistance in the use of asbestos building materials in water and sewage projects.

***Risks, vulnerabilities, and a cost-benefit assessment***

*Human health risks*

Exposure to asbestos in the workplace, in the ambient environment, and via consumer products is a problem for many peripheral countries (Joshi and Gupta 2004). Results of a study of occupational and environmental health specialists from thirteen countries (Botswana, China, Egypt, Honduras, India, Indonesia, Peru, Taiwan, Saudi Arabia, South Africa, Thailand, Turkey, and Venezuela) indicate that asbestos exposure comes primarily through contact with asbestos-cement building materials and piping (Levy and Seplow 1992:169–71). Manufacture of these products and their modification during and after application cause exposure to asbestos dust.

Exposure to asbestos dust is a major health risk (LaDou 2004; Rom 1998; Tossavainen 2004). It is linked to several adverse health consequences, including lung and gastrointestinal cancer; asbestosis (a condition in which scar tissue builds up in the lungs and interferes with breathing); and mesothelioma (cancer of the lining of the chest or stomach). The incidence and prevalence of these health conditions in the periphery are high and appear to be increasing (Kazan-Allen 2005; Rom 1998).

Reliable data on the actual rate of asbestos-based disease incidence and prevalence in the periphery do not exist. But several studies from countries such as Brazil, China, Mexico, India, South Africa, and Thailand indicate that the problem is serious. Standardized mortality ratios for asbestosis and mesothelioma among workers and others exposed to asbestos dust in these countries are reported to be significantly elevated (Aguilar-Madrid 2003; Boffetta et al. 1994; Levy and Seplow 1992; Matos and Boffetta 1994).

*Vulnerabilities*

Many peripheral countries are especially vulnerable to the health risks of asbestos because of inadequate health and safety

regulations and limited public awareness of health risks. The health risks of those exposed to asbestos dust are increased because of a high prevalence of tuberculosis and related health conditions among the populations of many peripheral countries. Absence of strong labor unions is also a problem. And a large proportion of the workforce consists of highly vulnerable groups such as children and women of childbearing age (Joshi and Gupta 2004).

#### *Assessing costs and benefits*

Do the benefits of asbestos exports to the periphery outweigh the costs? This is a vexing question because it is difficult to identify, quantify, and evaluate the costs and benefits of asbestos and other such hazards (Ackerman and Heinzerling 2004; Sagoff 1988). In the short term, core exporters of asbestos such as Canada benefit economically, whereas the periphery importers benefit from cheap and durable building materials and piping for clean water and sewage control. But the long-term health costs (which cannot be adequately estimated) for the periphery overshadow the short-term benefits. There are also important distributional considerations that such assessments do not consider. Most benefits go to core exporters like Canada, whereas the importing countries bear most of the costs. Costs in the importing countries are also distributed in an unequal fashion, for some groups are able to capture the benefits and other groups (especially those marginalized by class, race, and gender) bear most of the costs (Aguilar-Madrid et al. 2003).

#### *What is to be done?*

Various actions have been proposed to deal with the asbestos problem in the periphery, ranging from restrictions on the use of asbestos to a total ban on the use of asbestos (LaDou 2004; Kazan-Allen 2004). Implementing strong regulations on the use of asbestos would help reduce the human health risks associated with the international asbestos trade. It is unlikely, however, that these recommendations (and those that might have a more dramatic effect on reducing health risks such as a ban on asbestos use) will be enacted in the near future, because powerful political and economic interests profit from the structure of the current asbestos

trade (see, for example, Kazan-Allen 2004, 121). As long as these interests (embedded in an international stratification system based on the unequal exchange of value) remain intact, the human costs of the global asbestos trade will persist.

Earlier versions of this paper were presented at the Conference “The Changing World Economy for Class Relations, Ideology, and Culture,” Ho Chi Minh National Political Academy, Hanoi, Vietnam, 9–11 January 2006, as well as the First Conference of the World Political Economics Society, “Economic Globalization and Modern Marxist Economics,” Shanghai University of Finance and Economics, 2–3 April, 2006. I wish to thank Erwin Marquit for his comments on an earlier version of this paper.

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# **Interaction between Economic Globalization and Political-Judicial Institutions**

**Nguyen Van Manh**

The wave of economic globalization has been globally exerting tremendous impacts on the progress of each nation as well as on the fields of politics, economy, culture, and society. Economic globalization has resulted in “a new world order” that concentrates its impact on the political-judicial institutions of each region, each nation, and the world in general. In response to this, the global, regional, and national political-judicial institutions, in turn, have had a strong effect on the process of economic globalization. The interaction between globalization and political-judicial institutions is very complicated, reflecting the objective impact of globalization on different sociopolitical systems and the levels of development of each nation, on the existence of injustice and inequality in international relations, on policies of oppression and exploitation of other nations, and on the immoderate greed of monopoly-capitalist corporations.

Economic globalization, importantly, provides positive opportunities for each nation. Its negative side, however, evokes many challenges. Presented here is a study of the interaction between economic globalization and political-judicial institutions that not only puts forward methods of taking advantage of positive factors, but also of preventing negative effects of the wave of globalization.

In order to analyze the interaction between economic globalization and political-judicial institutions, it is necessary to comprehend the concept of economic globalization as well as its positive and negative factors.

***Definition of economic globalization  
and political-judicial institutions***

*Definition of globalization and economic globalization*

The term *globalization* arose in recent decades. It was first coined by George Modelski in his *Principle of the World Politics*, a book about the agitation of the European Union to persuade other countries to join the global trade in 1972. It was not until the 1980s that the term *globalization* was popularly used. Various ways, however, of understanding the concept *globalization* that are increasingly faithful to its nature, characteristics, content, and progress have been developed.

From these, the following content can be given to the term *globalization*:<sup>1</sup>

Globalization is a process of vigorous growth of the relations, interactions, and dependency among regions, countries, nations worldwide.

Globalization is a historic, objective process; a high level of the development of the world labor force; and the inevitable result of the development of the market economy and technology.

Globalization, at the present time, essentially refers to the growth of economic activities that extend beyond the borders of nations and regions. In other words, economic globalization is the major factor and motive force of globalization. In addition, globalization is also evident in politics, law, culture, technology, military affairs, ecology, and other social matters.

In this view, globalization is an inevitable, objective tendency of development involving the self-evolution of an internationalized labor force, as an inevitable result of the evolution of the market

economy, science, and technology that requires greater relations and dependence among countries and regions in the world. As a result of the acquisition of fabulous wealth, the developed capitalist countries have clearly tightened their domination and control, of the world economy, taking advantage of globalization to expand the capitalist mode of production, holding back underdeveloped and developing nations in order to establish the so-called “New World Order” for the benefit of the capitalist monopolist corporations.

Globalization can be defined as a process of vigorous growth of relations, influence, interaction, and dependence among regions, countries, and nations all over the world. It is an inevitable, objective trend, an urgent demand not only for the development of the labor force, but also of other societal activities. In the present international situation and correlation of forces, the developed capitalist countries are taking advantage and control over globalization.

From these generalities of globalization, in our opinion, economic globalization is an objective trend of history, originating from the continuous development of the labor force, division of social labor, and market economy on a global scale. In the present world situation, economic globalization is a process in which the capitalist states have gained their domination and influence, and striving, at the same time, to expand the capitalist mode of production. Consequently, increasing inequality and injustice occur not only in the economy and in politics, but also in culture, between the developed countries on the one hand and the developing and underdeveloped countries on the other.

Both globalization in general and economic globalization in particular, in their nature, are complex processes reflecting various contradictions: contradictions between the developed capitalist countries with their monopolistic corporations and the sovereignty of other countries; between the growth of the world wealth and the inequality in distribution that is leading to the increasing separation of the rich countries from the poor countries as well as increased separation of the rich and the poor within each country; between economic growth and the deterioration of culture, morality, and so on.

These contradictions of economic globalization are the source of class struggle by the working class of nations and advanced forces in the world against the exploitation, rule, intervention, and invasion of the capitalists and imperialists, a struggle for world peace, friendly relations, and equality among peoples and international cooperation and development.

With its core rooted in the great advance of science and technology, the liberalization of trade, and growth of coordinated economic activity and investment on a global scale, economic globalization has exerted certain positive effects on every country, every region, and the whole world, among which are the following:

- Globalization accelerates the transfer and rapid application of the achievements of science and technology and scientific management skills to other countries, creating favorable conditions for developing and underdeveloped countries to obtain and develop high technology, improve their own skills of organization and management, and carry out modernization and industrialization.

- Globalization creates good circumstances to speed up the modification of occupational structure within a country, regionally, and globally. Every country can benefit from the modification of economic structure to make the best use of its strength in the market.

- Globalization creates favorable conditions for underdeveloped countries to make the most use of foreign investment for modernization and industrialization, by utilizing domestic and foreign resources effectively.

- Globalization creates a good situation for the development of the global economy. The contributions from modern technology, communications, transportation, and the global information network have lowered prices, overcome crises of oversupply, increased productivity, and improved the efficiency of production and business. An expanded market gives rise to favorable circumstances for economic cooperation and competition, contributing to mutual development.

- Globalization creates good conditions for every country to increase economic cooperation and cultural exchange, consolidate

mutual trust and understanding favorable for peace, cooperation, equality, and development.

- Globalization requires the establishment of regional and global regulatory organizations. It is necessary to establish bilateral and multilateral legal frameworks in every region and on a global scale to settle disputes arising from international relations not only in politics, economy, culture, and justice, but also on global issues concerning population, environment, food supply, serious diseases, crime, and terrorism.

The political regimes and levels of development of every region differ greatly. The United States—the leading imperialist country among the hostile forces—exercises its policy of “International Boss.” It imposes not only its mode of production, but also its American “free world” culture and lifestyle, oppressing and exploiting small and underdeveloped countries.

In addition, globalization also reveals other challenges and disadvantages:

- Developed capitalist countries, with their domination in capital and technology, hold sway over international organizations such as the United Nations, International Monetary Fund, World Bank, and World Trade Organization. These countries take advantage of and control globalization in a way that is favorable to capitalist monopolies. They exploit the small, underdeveloped countries and other rivals. As a result, differences between the rich and the poor have grown, injustices committed by the developed countries against the developing and underdeveloped countries have increased. The United Nations Development Program has stated that globalization has brought immeasurable wealth to those who are able to sweep across national borders to take advantage of sources of commodities and services.

- Although the transfer of capital and technology to developing and underdeveloped countries has been beneficial for them, it has also brought many disadvantages. The conditions of loans and technology transfers are usually unfavorable for those receiving them. In some cases, these countries received only “rubbish” technology from the developed countries. The independence and sovereignty of small underdeveloped countries becomes threatened.

They become victims of oppression. They have to comply with the demand of the powerful countries and accept unfavorable conditions.

- Globalization leads to free trade among countries. Low-priced foreign commodities flooding the market, however, will hamstring traditional domestic industries and handicrafts of developing and underdeveloped countries.

- Economic globalization, together with the development of communication, information, travel, cultural exchange, and so on, will erode traditional national cultures, internationalize social evils, and create other problems.

- Globalization offers the most favorable conditions to the developed countries, while creating injustices on an international scale. The poor underdeveloped countries are being subjected to loss of all their resources, even the use of their “brain power,” as they are put in service for the profits of the developed countries.

#### *Definition of political-judicial institutions*

Within a country, the political-judicial institutions are the overall legal regulatory organs of the political system, economy, society, and culture for implementing the directives and policies of the party in power.

Along with the political-judicial institutions of each country, global, regional, bilateral, and multilateral political-judicial institutions have come into being internationally. These are commonly known as the international political-judicial institutions. Most countries have to comply with international laws on a bilateral or multilateral basis. The international organizations ensure compliance with the international laws in accordance with the regulations, agreements, and commitments in various fields.

International political-judicial institutions exist in various forms and levels. On the global level are the United Nations with its documents, the World Trade Organization, the World Bank, the International Monetary Fund, and others. Regionally, one can mention here the European Union, the Organization of Petroleum Exporting Countries, the Common Market of the South (MERCOSUR—Mercado Común del Sur), the Economic Community of West

African States, the North America Free Trade Agreement, Southern African Development Coordination Conference, Association of Southeast Asian Nations, etc. Bilaterally or multilaterally, international political-judicial institutions are connected with bilateral or multilateral agreements in several fields, or, in some cases, in a given field. Examples are relationship agreements, cooperation agreements, similar jurisdiction agreements, tariff agreements, and fishing agreements.

Thus, the concept of political-judicial institutions is understood in its broadest meaning. It includes national, transnational, regional, or even global political-judicial institutions. These institutions are political as they consist of common commitments and agreements for standards of behavior on cooperation, sovereignty, independence, and partnership by each party. Furthermore, their contents include many fields such as economy, culture, law, environment, and finance. Some institutions cover vast basic rules of international relations with the participation of many countries, such as the UN and its Charter and binding documents. Agreements and commitments in international relations concerning political, economic, cultural, and societal relations must be made legal within a given country. Therefore, the political-judicial institutions include international and national political-judicial institutions.

***The nature of the interaction between economic globalization and political-judicial institutions***

In general, the overall effects of economic globalization on political-judicial institutions can be expressed in two ways as follows:

First, economic globalization interacts with political-judicial institutions. Economic globalization requires the equivalent establishment and improvement of political-judicial institutions. Moreover, political-judicial institutions will support, restrain, inhibit, or even control the process of globalization.

Second, the interaction between economic globalization and political-judicial institutions is both subjective and objective. Objectively, globalization is an inevitable tendency. Economic

globalization objectively affects political-judicial institutions and results in the formation of international organizations and regulations. Any country that wishes to progress will have to construct its own political-judicial institutions in accordance with the trend of globalization. The subjective factor can be seen in the relation between economic globalization and political-judicial institutions, in the national, regional, and global view of the trend of economic globalization or in the ways they participate in it. The subjective factor of economic globalization can also be seen from the depth of participation of each country in accordance with its own level of development. The effect of economic globalization, however, is objective. Any country taking advantage of it will have to bring into play its own resources and at the same time not only cooperate with others but also struggle against the negative effects of economic globalization.

Third, economic globalization interacts with political-judicial institutions in both a dependent and relatively independent way. It is independent as economic globalization is an objective trend; each country participates quite independently in globalization; each country also plays an independent part in international organizations and the way it follows international regulations. Every country has the right to comply with all or some of the regulations and protect its own benefits. Certainly, the independence should not be so great as to isolate it from the global economy. It is therefore essential to understand the dependence and independence of the interaction between economic globalization and the political-judicial institutions. In order to participate in and take advantage of economic globalization, the political-judicial institutions should be built in accordance with accepted standards of mutual benefit, peace, cooperation, equality, respect of independence and sovereignty, and without interference in a country's internal affairs. At the same time, every country has to comply with the international regulations. Nevertheless, as each country has its own level of development, international regulations should enable underdeveloped countries to find a suitable path of participation so that they can develop and cooperate with others on a mutually beneficial basis.

Fourth, the interaction between globalization and political-judicial institutions has both advantages and disadvantages. This characteristic originates from the advantages and disadvantages of economic globalization mentioned earlier. It also originates from the role of national and international political-judicial institutions. The advantages of economic globalization can be realized only after it is perceived correctly, appropriately, on the basis of sincerity toward cooperation and mutual benefit. The disadvantages of economic globalization will become apparent if economic globalization is used to satisfy selfishness or greed, or when some developed capitalist countries block other countries from enjoying its benefits, as they have been doing.

***Interaction between economic globalization and national and international political-judicial institutions***

The interaction between economic globalization and political-judicial institutions can be broken up into the following categories:

- Interaction between economic globalization and international political-judicial institutions.
- Interaction between economic globalization and national political-judicial institutions.

***Interaction between economic globalization and international political-judicial institutions***

International organizations and regulations have gradually been established in the wake of economic globalization. The reasons for the formation of international organizations and international regulations are various, but in principle they are agreements and commitments to share benefits of stability and economic development for each country, region, and the world as a whole. Economic development, socialization of the global workforce, and other global problems objectively require the establishment of international organizations and international regulations to ensure common development, settle disputes, and protect all member countries. The scientific and technological revolution, expansion of information, relations of cooperation, free trade, etc., regardless

of national borders, have had significant impact on international economic relations and international laws, investment, commodities, labor, information, service, and so on. The world is facing many global problems relating to economic cooperation, such as environment, overpopulation, prevention of international crime and AIDS, poverty and hunger, social evils, etc. In this situation, no country can settle these problems by itself without international cooperation, international laws, and international organizations.

In practice, the formation of international political-judicial institutions has not only been shaped by the objective factors above, but also reflects the influence and interference of the powerful countries that further their own interests at the expense of other countries.

These analyses explain the formation, development, and difficulties, as well as the role, of the mushrooming global, regional, and subregional political-judicial institutions. The United Nations is the largest international organization in terms of the number of participating countries. The World Bank, the International Monetary Fund, and the World Trade Organization are playing an important part in world economic development; the North America Free Trade Agreement is spreading its trade activities from Alaska to the South; the European Union is in the process of unification and expansion to Central and East Europe; the Association of Southeast Asian Nations (ASEAN) is considering establishing a free trade area of its own; Mercado Comun del Sur (MERCOSUR) is also creating the Common Market of the South; African countries have established the Southern African Development Coordination Conference and the Economic Community of West African States; South Asia has established the South Asian Association of Regional Cooperation and the South Asia Free Trade Area and, in addition, it is considering establishing an Asian Free Trade Area. Besides the transregional and transcontinental free trade areas, the Asia-South America Economic and Business Summit Forum is in formation; also in formation are transregional organizations such as the Asia-Pacific Economic Cooperation, the Asia-Europe Forum, and the AFTA-CER agreement between the ASEAN Free Trade Area and the Closer Economic Relations trade agreement of Australia and New Zealand.

To meet the requirements of economic globalization, apart from these international organizations and regulations, a number of bilateral and multilateral agreements and treaties have been signed to make use of opportunities for integration into the global economy and for bringing into play domestic resources, improvements in the economy, and protection of national benefits.

The establishment of international organizations and regulations is an objective demand of economic globalization. In turn, international organizations and regulations are being improved to speed up the process of economic globalization, and to create opportunities for every country to integrate into the world economy and enjoy its share of benefit. Because of the variety and complexity of the international political-judicial institutions, contradictions and disputes are likely to occur. Bilateral institutions are less complex than trans-regional and global ones. Moreover, as the capitalists, led by the United States, have taken advantage of and control of the international political-judicial institutions, they do not always offer other members justice in economic globalization. The U.S. administration pursues a policy of acting as the “International Boss,” exercising power in disregard of international laws. The Steel Import Dispute with the EU, the Catfish Dispute with Vietnam, and especially the Iraqi issues are clear examples of U.S. thirst for being the global ruler and international boss. Under present conditions, in which the capitalists use their domination over international political-judicial institutions for their own advantage, other members should cooperate to fight against the plots of the hostile forces and seek equality and justice in international relations.

*Interaction between economic globalization and national political-judicial institutions*

In response to the wave of the economic globalization, every country has to adjust its own political-judicial institutions to the international regulations in order to integrate into the world economy, participate in international markets, make use of investments, and improve technology and human resources. This adjustment depends on international standards and regulations. It means that every country has to face the disadvantages of the

market economy and the challenges of the global and regional economy. Therefore, they have to reform the administrative systems and make national laws consistent with the international regulations that apply to them. They have to bring into play all their own resources to take advantage of the opportunities that economic globalization offers. Moreover, since economic globalization has its own disadvantages and negative effects, no country, even though relatively dependent, has to “dissolve” itself in the economic globalization environment, unconditionally accepting unreasonable requirements, as it adjusts its political-judicial institutions. On the contrary, it is necessary to adjust national political-judicial institutions in parallel with sustaining national independence and sovereignty, protecting legitimate benefits, while participating in economic globalization. In addition, it is necessary to take the initiative to integrate into the broader economy, making the most use of the advantages of economic globalization, and avoiding the disadvantages.

If adjustment of political-judicial institutions is not made, or if the adjustment is not appropriate, failure will await. Adjustment of the political-judicial institutions to take part in economic globalization is an objective process and will create opportunities for a country to develop. If we do not make the adjustment, we will be out of the game or miss the opportunity for development. As Professor Truong Dinh has noted, the world has passed through three periods of globalization: from the midnineteenth century to early twentieth century, during which time socialism was established; from the 1970s to 1980s, and from 1980s to today. Moreover, if socialists do not take part in globalization, they will face failure—the former Soviet Union and Eastern European countries are examples of this. For over twenty years, however, China, with its socialism with Chinese characteristics, has taken the initiative to take part in economic globalization, and has found an appropriate way to develop socialism in accordance with the characteristics of China. Thus, it has been greatly successful in its cause of modernizing the country.<sup>2</sup>

In our view, adjusting the political-judicial institutions does not mean changing the sociopolitical system or altering the path to achieve national goals. A sound understanding of the dual aspects

of economic globalization in order to make appropriate adjustments will create opportunities to avoid the disadvantages of economic globalization, while reviving the country and constructing a social-political system in accordance to the people's will and wishes.

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#### NOTES

1. See *Some Concepts of Globalization*, no. 2 (Hanoi: Ho Chi Minh National Political Academy, 2001), 7–36 (in Vietnamese).

2. Truong Dinh, *Present Movement Magazine*, no. 12 (2002). Also, see *Information about Arguments*, no. 11 (Hanoi: Ho Chi Minh National Political Academy, 2002), 35–36 (in Vietnamese).

# The Myth of Free-Market Education

**Kathleen Densmore**

Conflicting ideas about the reform of public education lie at the heart of current debates over education in contemporary societies. Economic and political trends both generate and influence these conflicts, conflicts that reflect contradictory definitions of democracy. In many Western nations, a “market democracy” is promoted as the best hope for dismantling unresponsive bureaucracies—including government-directed attempts at distributing and redistributing resources and services—on the pretext that markets enable individuals to exercise their democratic freedom of choice as consumers (Chubb and Moe 1990). In this account, unregulated markets are held as necessary for the development of a democratic society and virtue is seen as vested in the “invisible hand” of the market. Invisibility means that power and control are (purportedly) spread throughout the market in the actions of atomized consumers who are represented as having the power to buy and sell goods and services at will, including their education.

This market version of “people power” is glorified as the superior means for creating wealth, a wealth that benefits all. Its glorification resides not only in the often-touted efficiency and effectiveness of markets but also in their moral virtue. No controlling bureaucracy is to engineer the decentralization or centralization of industries or services. Rather, allegedly free, invisible market forces will “naturally” sort out successes from failures in social and economic relations.

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The benefits of a “market democracy” appear, however, to accrue increasingly to an elite few, to the detriment of many. What this means for public education is my subject here.

In Western industrialized countries, there are striking similarities among contemporary educational reforms that reject the social-democratic principles underlying midtwentieth-century government interventions in the economy, such as a strong public sector, market regulation, and fiscal control over economic growth. Reforms to these levers of control are viewed as both indicative of the dismantling of the welfare state and as informed ideology of the “New Right.” This term refers to a range of views and ideas that have been taken up in different ways in different Western nations, depending on specific historical, political, and economic circumstances (Dale and Ozga 1993). It is therefore only in very general terms that we can designate as “New Right,” a reappraisal similar across nations and regions of guiding principles for economics and governance. That said, market incentives are now generally seen to motivate both individuals and institutions to exercise initiative and to create and sell their products to an ever-expanding sea of self-interested consumers. Similarly, individual consumers now have greater freedom to choose among multiple producers and products, largely unrestricted by their place of residence. Such changes have also frustrated democratic policies, particularly in providing for those seen to be without the initiative, creativity, and wealth necessary to consume. This is because government attempts to provide even minimal support or opportunities are increasingly viewed as an exacerbation, not a solution, of social and economic problems.

In short, market proponents argue that the state today should be restructured to reduce or eliminate resources for the public sector and should play a weaker regulatory role in society. The market would thus, arguably, be freed to achieve greater efficiency and effectiveness in as many sectors of society as possible, including education. Some people argue that markets are inherently fair because they provide incentives and competition; others argue that fairness is not the objective, and argue instead that markets ensure more creativity, cheaper products, and more efficient production

processes. In market terms, an ideal social order is premised on free choice and consumer rights, while the goal of self-development is competitive, to create personal wealth.

There are important discrepancies between markets in their idealized and actual states. One contradiction is the increasing concentration of wealth among a few individuals and fewer corporations, while bankruptcy has become a more common experience for individuals as well as companies. This undermines claims that capitalism rewards the efforts of all hard-working, enterprising individuals. Another contradiction is the proliferation of international monopolies. It is frequently not acknowledged that economic concentration, monopolies, and the global domination of finance capital have resulted in gross disparities in living standards, income, and opportunities, as well as in the availability of the benefits of production to all members of civil society.

These ever-widening inequalities of wealth and power raise the question as to whether comprehensive social programs are, as market advocates claim, necessarily a deterrent to economic efficiency, effectiveness, and growth. "Free-market" policies have unleashed monopolistic economic forces that have devastated many long-established industries, decimating communities that depended on them and resulting in social unrest. Precisely because today's markets have proven incapable of meeting many basic needs for the vast majority, the market is actually allowed to operate freely nowhere in the industrialized world. Nevertheless, while it is possible for capitalist markets to show renewed growth and development and to provide variety and efficiency in production, they also produce vast waste of resources in advertising, fraudulent transactions, and the duplication of products, as well as in unemployment and unacceptable inequalities in the conditions of life.

In education, the 1980s in particular witnessed arguments in many Western nations that the public sector should be greatly reduced in size, and it was proposed to make schools more like businesses, freeing them to function in an idealized free-market economy. This extension of market logic into education was evident in such imperatives as: (1) stimulating competition among

schools to break the public school “monopoly”; (2) evoking notions of choice to imply that academic achievement problems can be solved by establishing competition for students and parents; and (3) increasing parental choice over what and where children learn. Public schools were vulnerable to many of these challenges, because of their reputation for unnecessary bureaucratic constraints, a perceived and often real lack of professional accountability, and the isolation of teachers, schools, and embattled teachers’ unions from their surrounding communities. Identifying public schools as a key reason for economic weakness or cultural decline provided politicians with more manageable and less controversial solutions than would be possible were the focus on larger, more embracing economic issues.

Government strategies to reform schools that employ discourses informed by business and market ideologies are characterized by a customer-oriented ethos, decisions driven by efficiency and cost-effectiveness, and a search for a competitive edge or advantage. As applied to education, these discourses emphasize individual relations by marginalizing teachers’ unions, by advocating technical rationality and competition, and by employing and informing administrators from the field of business management (Gerwitz et al. 1995, 94). While applications vary across countries, generally the state is encouraged to intervene less directly in public arenas such as education while nevertheless retaining critical influence via accountability schemes and “target-setting” (Whitty et al. 1998; Thrupp 1999). Markets in education, we are told, will raise standards, improve academic performance, and promote equal opportunities.

Also central to these New Right prescriptions for education is the “freedom to choose”—a demand popular among politicians and many families. Studies of various choice schemes, however, demonstrate that bad schools get worse as families with more material resources leave (Brint 1998; Whitty et al. 1998; Lauder et al. 1999), and that the remaining students are often ghettoized in specific schools according to ethnicity and/or social class (Moore and Davenport 1990; Lauder et al. 1995). Schools tend to seek out academically more able students, who are less costly and more

likely to produce “good” performance outcomes (Gewirtz et al. 1995; Glatter et al. 1997). “Market democracy,” driven by performance goals, generates pressures on schools to prioritize those students who are most likely to succeed academically. We may conclude, then, that neoliberal economics privileges the interests of the market over equity and democratic participation. As Marginson maintains, this is because markets in education are an extension of capitalist production, consumption, and exchange into areas of life once supported by government institutions (1997).

At the very least, capitalist markets have been grossly exaggerated as the single primary criterion for delivering effectiveness and efficiency in education. Moreover, while much of the current economic rhetoric pays lip service to individual rights and their importance in a democracy, New Right economics actually embodies antidemocratic orientations and proposals. For instance, market theorists claim that education is best viewed as a commodity to be sold, a peculiar mixing of the public and private sectors. In this account, students and their parents are viewed as consumers with the option to choose for themselves which school to attend. The primary purpose of education from this perspective is to maximize individual opportunity for economic advancement. This is the logic of a competitive economic system that necessarily ensures that consumers will get the education they can afford, irrespective of ability and need.

A second example of the antidemocratic premise of New Right economics is the promotion of the interests of corporate wealth above the public’s welfare. Corporate wealth does not tend to “trickle down” to the poor, nor do commodities produced for the purpose of profitable sales prioritize social well-being. Nevertheless, competitive social relations driven by profit motives now permeate and commodify nearly every aspect of our lives. Today’s dominant worldview suggests that every social sphere is a marketplace and that all organizations and institutions should be run like businesses.

Viewing education as “choice for consumers” contrasts with viewing it as a “right of citizens” (Grace 1994, 132). Choice has, under neoliberalism, become a cardinal value, yet ascribing rights

of consumers according to their wealth conflicts with the full entitlements of democratic participation. Actively choosing material goods, social services, values, and lifestyles, has signaled new freedoms for the endowed. The New Right, however, has successfully used “free-market” policies and the discourses of the marketplace to limit democracy for many to notions of consumer choice. This prioritizes the individualistic, competitive, and consumerist components of what otherwise could constitute “democratic participation” of a new kind. Given a new and different conception of democratic participation, individual choices about schools for one’s children, for example, might be made only after the interests of other families and the larger community had been taken into account by a representative community board. It might also mean that the state would play an active role to develop and expand equity throughout all school systems (Lauder 1990; Hatcher 1996; Whitty et al. 1998). Finally, the free-choice ideology of the New Right serves to rationalize a substandard education for the masses that largely excludes them from access to technical and scientific occupations and thus condemns them to menial or at best semiskilled work, or to permanent unemployment, welfare, and crime. Its fundamental purpose is to preserve existing social class relations.

Slightly revised version of text originally published in *Engaging Teachers, Towards A Radical Democratic Agenda for Schooling* by Trevor Gale and Kathleen Densmore, Maidenhead, England: Open University Press, 2003, chapter 2, “Markets: An Increasingly Visible Hand.”

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# **Marxism and Socialist Orientation in Vietnam**

**Nguyen Quoc Pham**

We are deeply grateful that the leaders of the Ho Chi Minh National Political Academy have organized this international conference, “The Consequences of the Changing World Economy for Class Relations, Ideology, and Culture.” It is our great pleasure to welcome the experts on Marxism and the left-wing activists of the United States and other countries to participate in this conference, and we cherish the hope that it will achieve great success.

As a researcher and lecturer on scientific socialism at the Ho Chi Minh National Political Academy, I will only focus on some aspects of class ideology in today’s complicated sociopolitical life. At the same time, the sustainable values and vitality of Marxism in this era in general and in the orientation towards socialism in Vietnam in particular will be affirmed.

## ***Ideology and its role***

The course of human history shows that when and where class divisions exist, the political regime, in addition to the economic basis, will have an important influence on ideology. According to dialectical materialism, the economic basis and the political regime both contribute to determining ideology. Conversely, ideology, in many cases (especially during crucial turning points in

sociopolitical life), decisively influences prospects for the survival or collapse of the economic basis and political regime.

In class-divided societies, the dominant ideology reflects most vividly the will of the ruling class. In order to maintain the stability and development of the society, the ruling class must at all times protect and promote its ideology with the view to insuring its essential role in the society's intellectual and cultural life.

After the triumphant victory of the Russian October Socialist Revolution and most markedly after the Second World War, a system of socialist countries came into being. This contributed to the long-term coexistence of the two contradictory ideologies: socialism and capitalism. In all the socialist countries during that period, Marxism-Leninism in general and Marxism in particular played a vital role in social life. The upheavals in the USSR and Eastern Europe in the 1990s, however, resulted in much perplexity in quite a few countries. First was the disorder in ideology. In numerous nations, including the formerly socialist countries, people sharply criticized and then rejected Marxism. It was believed that Marxism was obsolete, dogmatic, speculative, and inappropriate for the needs of these nations. The emergence of social democracy and neoliberalism together with many other doctrines and ideological trends only exacerbated the already disorderly sociopolitical situation in many nations, regions, and territories.

Nevertheless, in recent years the world has witnessed the historical stature and vitality, as well as the contemporary value of Marxism. Socialism continues in many countries, where victorious achievements in the form of innovations and reforms have been carried out, such as in the People's Republic of China, the Socialist Republic of Vietnam, the Democratic People's Republic of Korea, the Lao People's Democratic Republic, and the Republic of Cuba (even though this country is under strict embargo imposed by the USA).

### ***The revolutionary and scientific nature of Marxism***

It is widely remembered that at the end of the twentieth century, the BBC conducted a worldwide online poll to vote for "The Millennium's Greatest Thinker," and the person who got the

highest number of votes was Karl Marx. Even though socialism in Eastern Europe and the USSR had collapsed, the result of this poll helped prove the unshakable relevance of Marxism. At the same time in France, a renowned scholar predicted that the twenty-first century will be “the Century of Marx.”

After a short period during which it was outlawed, the Communist Party of the Russian Federation has come back into legitimate operation. Public opinion has it that the Communist Party is supported by the majority of the electorate.

A memorable event, the Fourth Russian Congress of Philosophy, took place from 24 to 28 May 2005 in the Lomonosov National University in Moscow. The Congress was attended by nearly four thousand scientists from Russia, the countries of the Commonwealth of Independent States (CIS), and many other nations. A very important event at the Congress was the seminar “Marxism: Past, Present, and Future” organized by an independent subcommittee. The seminar was unanimously supported by the Congress. The chairman of the seminar proposed to place the following points into the “Common Resolution of the Fourth Russian Congress of Philosophy.”

- Revive courses on Marxism in universities and suitable units in academic research institutes on the human sciences.
- Protest against privatization. Reclaim the stolen properties of the State and the people.
- Condemn the fascistic intrusion of the USA and NATO into Yugoslavia, Afghanistan, and Iraq. Demand that NATO, the USA, and its vassals withdraw from Iraq.
- Denounce the half-century-long political and economic embargo imposed by the USA on the sovereign, independent, peace-loving nation of Cuba. Demand that the USA release the five Cuban patriots who are being tortured in American prisons.
- For the sake of peace and the development of human civilization, it is necessary to demand that the USA put an end to the so-called “New World Order” or more precisely, the “New World Disorder.” Stop the USA and NATO from provoking bloody wars between countries as well as national and religious conflicts that threaten the world’s peace and stability.

- Request the members of the UN to consider the necessity of erasing the debts that the capitalists are forcing the Third World nations to pay.
- Call upon the presidents and governments of CIS nations to give priority to diplomatic measures for reuniting the Republics of the former USSR. Without doubt, these measures must take the new historical situation into consideration.

The points above demonstrate the importance of the seminar “Marxism: Past, Present, and Future” held at the Fourth Russian Congress of Philosophy. It has once again asserted the revolutionary and scientific nature of Marxism.

Twenty years after the “reform” occurred in China, the Chinese Communist Party and State still affirm “Marxism-Leninism, Mao Zedong Thought, and Deng Xiaoping Theory” as the ideological foundation of the society. Jiang Zemin, former president of the People’s Republic of China, declared:

Over the past one hundred years, no theory or doctrine has been able to maintain its vitality, its role in promoting the development of society, and its wide-ranging influence on the people the way Marxism has. Whatever changes have occurred, the general course of history has followed the basic laws formulated by Marxism.

Many Chinese scholars affirm that more than one hundred years of history have taught us a universal truth: that without Marxism, the task of liberating the Chinese people would not have ended successfully.

The revolutionary and scientific nature of Marxism is seen most clearly from the viewpoint of Marxist research demonstrating that “Marxism is a complete scientific world outlook.” At present, the Party and the State in China are “Chinesizing Marxism” and appropriately addressing the relation between the general and the particular when employing and developing Marxism. A national project named “Examining and Developing Marxist Theory” is being carried out. The affirmation of Marxism’s role in Chinese society is vitally important for stabilizing political thinking and boosting the socioeconomic development of this nation of 1.3

billion people (the average annual growth rate of China's GDP has been ten percent during the past fifteen years).

***Marxism and socialist orientation in Vietnam***

While the system of socialist countries fell into acute crisis and then suffered a critical setback, the Communist Party of Vietnam took the initiative in comprehensively renovating the whole nation. First came the renovation in thinking and theory that began in 1986. In 1991, in "The Platform for National Construction during the Transition Period to Socialism in Vietnam," the Communist Party of Vietnam affirmed that the Party would take Marxism-Leninism and Ho Chi Minh Thought as the basis of its thinking and the guideline for its actions. The documents of the Seventh National Party Congress highlighted: "In order for the renewal process to achieve its goals, while holding fast to the socialist orientation, the Party has to be persistent and creative in applying Marxism-Leninism and Ho Chi Minh Thought while firmly upholding its leading role in society" (Communist Party of Vietnam 1991, 53).

When summarizing the ten-year period of renewal and innovation, the very first lesson that the Communist Party of Vietnam drew is: "Hold fast to the objectives of national independence and the socialist orientation throughout the renewal process; be fully aware of the two strategic tasks of national construction and defense, stick to Marxism-Leninism and Ho Chi Minh Thought" (Communist Party of Vietnam, 1996, 70).

The documents of the Ninth National Party Congress also affirm: "The Party and the People are determined to construct Vietnam with a socialist orientation and on the basis of Marxism-Leninism and Ho Chi Minh Thought" (Communist Party of Vietnam 2001, 83).

During approximately twenty years of renovation, the Party and the State of Vietnam have always taken Marxism-Leninism and Ho Chi Minh Thought as their theoretical basis. This is an essential factor for assuring a socialist orientation in Vietnam.

It is possible to assert that the great success of the construction and protection of socialism in Vietnam is closely associated

with the study, creative employment, and development of Marxism-Leninism in Vietnam.

The Ho Chi Minh National Political Academy is currently conducting a crucial study entitled "Marxism-Leninism and the Present Era." Not only have the results of this project proved valuable in the teaching of political theories in the Academy but they have also contributed greatly to the affirmation of the unshakable values, the vitality, and the important contemporary role of Marxism in this era in general and for the path to socialism in Vietnam in particular.

Communists and all the working people in Vietnam are looking forward to the Tenth National Party Congress. The Congress will summarize the renewal carried out during past twenty years and draw the appropriate lessons, among which are to hold fast to Marxism-Leninism and Ho Chi Minh Thought in order to ensure a socialist orientation.

Before ending this report, I would like to convey my warmest regards to all the experts on Marxism and the left-wing activists of the USA and other countries. I do hope that this conference will be a great success.

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# Coffee's Dark and Bloody Ground

**Jeffrey R. Kerr-Ritchie**

This essay looks at the role of Vietnam in the new coffee economy. Specifically, it examines the interconnections between coffee cultivation, marketing, and mass consumption at local, national, and global levels. It has two objectives. First, to reveal past and present links between rural producers and generalized commodity exchange. The second is to highlight the implicit dangers in the new global economy. Like some of my visiting colleagues at our last meeting in 2003, I was surprised by the enthusiasm of some of our Vietnamese comrades for globalization.

## *King Coffee's rise*

The mass production of coffee in the modern world resulted from European colonial settlement. The earliest coffee producers were hill farmers in the Arab State of Yemen, now famous as the former home of Osama Bin Laden. The colonization of new regions by expansionist European powers during the sixteenth and seventeenth centuries resulted in transporting the coffee bean to new regions of control. This transfer was motivated by the policy of mercantilism: colonies existed exclusively for the development, profit, and material advantage of metropolitan areas. The Dutch colony of Java in the East Indies produced 5 million pounds of coffee in 1725. In 1789, the French Caribbean colony of St.

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Domingue returned 77 million pounds of coffee. This amounted to 60 percent of all the coffee sold in the Western world. Coffee was also produced in the British and Spanish Caribbean colonies during the nineteenth century, but southern Brazil became the most important producer during this period. In 1854–1855, the port of Rio exported over 372 million pounds of coffee (Walvin 1997, 44, 148; Blackburn 1997, 432, 434, 498, 501; Dupuy 1989, 27; Stein 1985, 53). It was during the late nineteenth century that French missionaries and colonialists expanded coffee cultivation to Southeast Asia (Anonymous 2001; Scofield 2004).

It was not until the late twentieth century, however, that coffee cultivation took off in Vietnam. One reason was the coming of *doi moi* [renovation] and controlled measures of economic reform including global economic participation. At the same time, the World Bank and the Asian Development Bank lent money to Vietnam to plant large amounts of Robusta coffee. (There are two types of beans: the traditional Arabica bean of high quality, and the low quality Robusta bean.) The reason for this international support was to encourage low-cost production and increase market efficiency. It proved successful in terms of increased production. Vietnam went from a small player to the second largest coffee producer behind Brazil, and the largest producer of Robusta beans. Most of this growth occurred during the 1990s. The harvest area expanded from 155,000 hectares in 1995 to 550,000 hectares in 2001. Exports rose from 4 million pounds to 14 million pounds in the same period. Only four percent was consumed domestically. By 1995, coffee was Vietnam's second most important foreign exchange earner after rice (Scofield 2004; Rand 2003; Collier 2001; Greenfield 2002).

Most coffee was grown in the Central Highlands region, which accounted for 86 percent of coffee hectares. The largest contiguous area was Dak Lak, with nearly 50 percent. The origins of these new coffee farms lay in official resettlement of nearly one million ethnic Kinh people in New Economic Zones. One analyst has argued that this resettlement was not only to make coffee, but also to protect the region from subversive ethnic minorities crossing national borders with Cambodia and Laos. Since 1996, some

400,000 people have moved into Dak Lak, and over 120,000 hectares has been cleared for new coffee plantations. Most coffee is grown by farming families on one or two hectares in pursuit of the “dollar tree” (Scofield 2004; Rand 2003; Collier 2001; Greenfield 2002).

### *The international cartel*

Coffee has been traded globally for centuries, requiring some degree of regulation. During mercantilism, coffee production was controlled by the metropolitan power. All coffee beans were carried on colonial ships to the metropole before they could enter the marketplace. This was to ensure state profits (Blackburn 1997, 432; Walvin 1997, 46). It was not until the 1960s, however, that coffee came under global regulation. In 1963, the International Coffee Organization (ICO) was set up in London. This cartel-like pact among states emerged because of the economic importance of coffee, together with the desire to exert some control over the anarchy of the marketplace. Between 1963 and 2001, there were six International Coffee Agreements (ICAs). Currently, the ICO has 44 exporting members, including Vietnam, which account for over 97 percent of world coffee production, and 30 importing members, which account for 80 percent of all coffee consumption. It should be emphasized that all the exporting nations are in Latin America, Southeast Asia, and Africa—the poor world; while all of the importing nations are in Europe and the United States—the rich world ([www.ico.org](http://www.ico.org)).

One of the hardest periods for the ICO was during the late 1980s. The Reagan administration called for global free trade and sought destruction of global regulations for being in restraint of free trade. As a result of this powerful opposition by a world superpower and major coffee importer, the ICA of 1989 collapsed, the market became deregulated, and coffee prices slumped. It was out of this collapse that a new regulatory body emerged. In 1993, the Association of Coffee Producing Countries (ACPC) was created. Led by Brazil, the world's major coffee producer, it contained fourteen member-states. Its *raison d'être* was to regulate coffee prices in the same way that the Oil Producing Exporting Countries (OPEC) manipulated oil prices. Vietnam was not a member. In

May 2000, the ACPC began a retention scheme: all members were to retain 20 percent of coffee-export volume. National governments, however, did not toe the line. The result was released stockpiles, reduced prices, and the collapse of the ACPC. Subsequent attempts at retaining coffee exports have proved equally unsuccessful (Collier 2001; Greenfield 2002).

### ***Transnational linkages***

To speak of transnational linkages as a new development is somewhat misleading, since coffee has always linked the local with the global. The hill cultivators of Yemen, for example, used their strategic position in the Indian Ocean to market their product to East Africa and throughout Europe (Walvin 1997, 44). It is also the case, however, that these linkages have taken special form over the last few decades. I will examine three: the international financial market, transnational corporations, and the new coffee shop.

Market speculation is nothing new in the coffee industry. Coffee peasants in postabolition Haiti, for instance, sold their crops to speculators who resold the crops to urban merchants for export. The prices given to peasants were often meager because they were based on the world-market resale price, minus state taxes, transportation costs, and the profit margins of speculators. In addition, speculators sometimes underweighed bags with false weights, and exploited farmers through usury (Dupuy 1989, 105). The major changes today are trading markets and technologies that can communicate market news much quicker than in the past. Traders at the New York Coffee, Sugar, and Cocoa Exchange (CSCE) and the London International Financial Futures Exchange (LIFFE) set the basic price of coffee. These central prices affect local growers. In January 2000, Robusta's value on the CSCE stood at \$.054 per pound. By March, Robusta's value had fallen to \$.031 (Scofield 2004). On 9 October 2001, the price of Robusta on LIFFE fell to its lowest level since 1971. On the same day, the price of coffee beans in Dak Lak fell by one half from VND8,000/kg (60 cents) to VND4,000/kg (30 cents) (Greenfield 2002).

Transnational Corporations (TNCs) dominate the global coffee industry. Proctor and Gamble produces numerous varieties

and brands of Millstone and Folgers coffee ([www.pgbrands.com](http://www.pgbrands.com)). Philip Morris, the major tobacco corporation, turns out several popular coffee brands, including Maxwell House and Sanka ([www.tobacco.org](http://www.tobacco.org)). Nestle has been using Brazilian coffee beans to make Nescafe since 1938, and continues to be a big world player ([www.nestle.com](http://www.nestle.com)). These companies seek to manipulate the prices of world coffee in pursuit of shareholder profits. Indeed, the fierce competition between TNCs during the 1980s and 1990s focused on price over quality. Nestle outsourced Vietnam over Central America for low-grade Robusta instant coffee in order to lower prices. Vietnam raised its production levels, but Nestle ended up buying only a small amount of this coffee. It did the same with Mexico. In 2002, it sought new research and development programs in Thailand (Greenfield 2002; Hitchcock 2003).

Along with speculators and corporations, the coffee store reflects these global-local linkages. During the eighteenth century, the coffee shop in European capitals emerged as the focal point for business transactions; banks were founded, deals struck, debts paid, orders placed, and insurance claims settled. New financial institutions in the colonial metropolis of London were founded on premises of coffeehouses: the Bank of England, the Stock Exchange, and Lloyd's Insurance. The coffeehouse became renowned for economic, literary, political, and journalistic exchanges. In 1760, London had four daily and five triweekly newspapers, many of which were perused and discussed in coffeehouses. As British Marxist historian Robin Blackburn puts it, "Coffee was *par excellence* the beverage for those concerned with calculation" (Walvin 1997, 40–43; Mintz 1985, 111; Blackburn 1997, 270).

The transnational mobility of capital and its lucrative profits, however, have resulted in the emergence of the global coffee chain. In 1971, two American teachers and one writer began a coffee store in Seattle, Washington, named after the character Starbuck in American Herman Melville's great novel *Moby Dick*. By 1997, Starbucks had 3,500 stores, 25,000 employees, and annual coffee sales of over a \$1 billion. In 2003, it had over 1,000 stores outside of the United States. Largely as a result of successful brand marketing, consumers will pay four dollars for something that costs

a few cents to produce. One consequence, apart from the mass dissemination of overpriced and tasteless coffee, has been a creeping chain of stores which have closed down high street cafes and stores around the world (Hitchcock 2003, 178–81).

Starbucks is not yet in Vietnam, but its equivalent—Highlands—is doing great business as the leading coffee shop in Vietnam. In 2003, it had eleven outlets in Ho Chi Minh City and Hanoi. Lounge chairs, western music, fancy lighting and mirrors, and worldwide web facilities, cater to the young urban elite. Recall that most coffee in Vietnam is not consumed domestically. It is unlikely that Highlands will challenge Starbucks on the global stage, but it might prove to be a regional powerhouse (Rand 2003).

### ***Another 2001***

The world remembers 2001 for the attacks on the United States. Far fewer recall this time as a year of crisis for the coffee industry. World coffee prices fell to their lowest levels since 1969. Before the collapse, coffee was second only to oil as a traded commodity on stock exchanges. Those who earn a living from the coffee economy range from 25 million farming families to 60 million producers, merchants, employees, traders, etc. Whatever the number, the reverberations were widespread, especially among coffee growers. Mass unemployment of families resulted in Nicaragua and El Salvador. Some 300,000 farmers were forced off the land in search of work in Mexico. Hundreds of coffee workers and their families marched from Matagalpa to Managua in Nicaragua, demanding government support. Nearly 400,000 families in Matagalpa depended on day wages paid to 44,000 coffee growers. Small farmers were plunged into debt in Indonesia and southern India. Disgruntled farmers burned their coffee crops in the Mexican province of Chiapas. In the central highlands of Vietnam, coffee farmers held protests, blocked highways, and demanded an end to the ravages of ancestral lands caused by expanding coffee production. Although local conditions accounted for much of this social unrest, the catalyst was the precipitous decline in world coffee prices. The expansion of coffee production, marketing, and consumption has resulted in the creation of a global commodity

that can disrupt the lives of rural working families virtually overnight (Greenfield 2002).

And it is important not to overlook the humanity behind the statistics. Gonzalo Varillas owned a 220-acre coffee farm in La Reforma, Guatemala. As a result of the 2001 crisis, he laid off his workforce of eighty Mayan Indians, whose families relied on this agricultural work (Collier 2001). Two years later, a similar downswing was felt in the Central Highlands of Vietnam. Dao Dinh Phuc, a 57-year-old farmer, planted five hectares in coffee in Dak Lak. His production costs of VND10,000/kg (67 cents) amounted to about the same as what the crop fetched on the market. "I can't make money anymore selling coffee," he said (Rand 2003).

### ***Vietnam's response***

Vietnam's response to the 2001 crisis has taken several forms, as has its position in the new coffee economy. First, the number of hectares devoted to coffee cultivation has been reduced. In 2002, 10,000 hectares of Robusta plantations were replaced with other crops. In an interview in 2003, Doan Trieu Nhan, chairman of the Vietnam Coffee and Cocoa Association (Vicofa), said that the coffee area had been reduced by 100,000 hectares since 2000, with a total of 470,000 hectares (Enden 2005; Rand 2003). Second, farmers have been encouraged to pursue crop diversification, with rubber, cashew nuts, cocoa, pepper, fruit trees, and subsistence crops (Enden 2005; Rand 2003). The advantages are obvious: not only were most such crops edible, but the surplus is marketable, while the crops are far less prone to the hazards of global commodity exchange. Third, the state has "retained" its coffee export volume. The government purchased and stockpiled homegrown coffee. Vietnam also joined global regulatory bodies like the ICO and ACPC, and signed the most recent ICA in August 2001, with the emphasis on quality over quantity and policy of retention (Enden 2005; Scofield 2004).

### ***Fair trade***

Over the last decade, the new global economy has revealed vast discrepancies between the poor and rich worlds. Crops like cotton and wheat are overproduced in crop-subsidized parts of the

world like the United States and Europe and surpluses are dumped on other countries. This “unfair” practice lowers prices and puts poor producers out of business. Coffee is a particular case in point. The result has been a call for fair trade over free trade.

This has taken two major expressions at local and global levels. The international humanitarian agency Oxfam is pushing to help poor farmers in coffee-producing countries. One result is a new chain of London coffee shops called Progreso. Unlike their bourgeois predecessors, these fair-trade coffee bars sell their product to consumers supporting the company scheme to share profits with poor farm workers who pick beans in the three countries of Ethiopia, Honduras, and Indonesia (King 2005). Another organization, [www.faircoffee.com](http://www.faircoffee.com), seeks to cut out the big companies and achieve a fair price for farmers, a quality product for consumers, environmental improvement, and community development. In the United States, over four hundred companies sell fair-trade certified coffee, including Starbucks, which claims to earmark profits for farmers’ schools. The number of customers, however, remains quite small. This is no doubt partly the consequence of a massive market together with corporate regulation of media uninterested in discussing fair-trade issues. It is also due to deliberate ignorance on the part of the privileged consumer: “why should I care about oil for blood, starving coffee workers, etc.?” Most important, many of these schemes have been shown to provide little actual benefit to the coffee farmer. A recent survey of one fair-trade scheme in London by the *Financial Times* estimated that of the extra money charged by the coffee store, “more than 90 per cent did not reach the farmer” (Harford 2005).

The other response is new agricultural agreements by international organizations. The pressure is on the World Trade Organization (WTO) to end dumping practice and open up the markets of the richer nations to poorer farmers. This has been the call at past international summits and at the Hong Kong meeting in December 2005 (King 2005). We have good reason to be skeptical, however, since former meetings have promised much but delivered little. Moreover, there has been a call for a new type of global regulation altogether. Mark Ritchie, president of

the Institute for Agriculture and Trade Policy, in Minneapolis, Minnesota, calls for a “global Roosevelt New Deal to ensure that farmers get a fair prices and have a level playing field” (Collier 2001). This is a good idea in theory, but is long-term, and unlikely under this current U.S. administration.

### ***Conclusion***

Let us conclude with three questions concerning the new coffee economy. First, how viable is coffee for economic development? One cannot live on coffee alone; this is far less true of rice. Coffee's status as a commodity means that external forces over which farmers and the state have little control determine its fortunes. Moreover, coffee eats up forests, exhausts the soil, and is not environmentally sound. Second, what is the relationship between coffee cultivation and social unrest? Falling coffee prices in 1932 led to popular insurrection against the ruling coffee elites in El Salvador (Paige 1997, 99-126). The price crash during the early 1990s encouraged some bankrupted farmers in the Mexican province of Chiapas to join the Zapatista rebels. Across the Atlantic, the same fall increased social tensions between coffee farmers and the state in Zimbabwe (Collier 2001). As noted earlier, the price drops of 2001 resulted in social unrest by coffee producers globally, including the Central Highlands of Vietnam. There is little reason to doubt the recurrence of this pattern of social unrest following hard upon periodic price falls.

Finally, why is Vietnam expanding coffee's dark and bloody ground? Vietnam is painfully aware of its history of invasions, wars, and anticolonial liberation struggles. Yet it has chosen to work with a commodity that enriches speculators and shareholders in the rich world while producers and farming families suffer in the poor world. During the 2001 crisis, Starbucks remained the darling of the NASDAQ, while consumers continued to sip their special brands oblivious to the dark end of the commodity chain. Has the war been won politically, only to be lost economically?

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# **Religion and Culture in the Transformations of the Modern World Economy**

**Nguyen Duc Lu**

The political turmoil in the late twentieth century caused socialism in Eastern Europe and the former Soviet Union to collapse. In the twenty-first century, we are living in a world full of economic, political, and social transformations as well as factors of instability. Since the Cold War ended, ethnic and religious conflicts have broken out in many places in the world. The wars in the former Yugoslavia in 1999, in Afghanistan in 2001, in Iraq since 2003, and the recent racial conflicts in some Southeast Asian countries, are found to be related to religions and ethnic differences, although to different extents. In the current context of globalization, world security is facing new challenges. In addition to the regular outbreaks of ethnic, religious, and territorial conflicts, nonconventional security threats have emerged. Such threats include terrorism, transnational crimes, drugs, trafficking in humans, weapons of mass destruction, and epidemics, which may become great dangers to humanity. In the face of the changing world under the impacts of globalization, humanity has good grounds for believing in a better future. At the same time, it has begun to worry about dangers and threats that globalization may cause.

Never before has the world situation undergone such great and rapid changes as in the ongoing process of economic globalization. In Vietnam, a matter of prime concern lies in national security and

the deterioration of the national cultural identity in the face of the process.

Religion-related developments in recent years have resulted in new trends, which, in the coming years, may exert direct influences on the religious and cultural situation in Vietnam.

First, although strategic security relations among the great powers remain quite stable, regional hot spots and local warfare related to ethnic divisions and religions keep increasing in number.

Second, international terrorism has become increasingly dangerous. International terrorism, which takes various forms and often aims at Europe and the United States, is now spreading to Asia. Fighting international terrorism and taking advantage of it have become issues of great concern of world security. Sentiments of hatred between ethnic groups, religions, and civilizations have been incited by military and political strategies and coup-inspired riots.

*Third*, the forms of warfare have differed. Future wars will be characterized by modern weapons and rapid intelligence information. They will be promptly launched and coordinated by various countries.

Underdeveloped countries, or those affected by social turmoil and political instability, or those that have a political system different from the West or are not close to the West, have been accused very often by some countries of "having violated human rights," "having violated the freedom of religion," or "hoarding" weapons of mass destruction. The latter have done so in order to interfere with the internal affairs of the former.

Fourth, some countries have taken advantage of codes of conduct internationalized in the Charter of the United Nations or international practices to launch military, economic, and diplomatic warfare.

Other factors of concern include the impact of beliefs on the unity of states and possibility of crises, and the development of jihad ideologies. "There is no sign that the major factors giving rise to the spread of international terrorism will fade away in fifteen years' time. With the aid of the global information network,

the resurgence of Muslim identity will spread radical Islamic ideologies inside and outside the Middle East and Southeast Asia, Central Asia, and Western Europe, where the identity of belief and tradition is not very strong. Such a resurgence is coupled with the enhanced solidarity among Muslims arrested in struggles in Palestine, Chechnya, Iraq, Kashmir, Mindanao, and Southern Thailand.” There is the possibility that “in 2020 al-Qaeda will give way to similar extremist Muslim groups. Terrorism will become increasingly decentralized, thereby giving rise to numerous groups and individuals that can plan and conduct their operations without a general headquarters.

Terrorists will continue to employ conventional weapons while using new tactics and constantly adapting them to antiterrorism efforts by different nations. They will be highly active in seeking chemical, biological, radioactive, and nuclear weapons, increasing the danger of large-scale attacks. They will use weapons of mass destruction to intensify the size and seriousness of their attacks. It is not possible to exclude the possibility that terrorists will seek to carry out online attacks in order to interrupt the flow of essential information or cause material damage.”\*

All the above-mentioned phenomena of the modern world exert their influence, to a certain extent, on culture, beliefs, and religions in Vietnam.

Recently, many people have raised their voice in protest against some countries that have violated the rights of other countries and have interfered with the latter’s internal affairs on the pretext of human rights. The former have spread such slogans as “Human rights are more important than sovereignty,” “Human rights are the greatest values of all,” or “Freedom is more important than the homeland.” They have reserved themselves the right to judge other countries and demand “democracy,” “human rights,” and “freedom of religion” for certain countries.

Unfortunately, on 15 March 2005, the U.S. Department of State announced its decision on measures to be applied to the three countries that the United States described as ones of particular concern. Vietnam was one of the three countries. The Department asked the U.S. Congress to give it more time so it could assess

the situation before officially announcing whether to punish these countries. That the Department released the “Supporting Human Rights and Democracy: The U.S. Record 2004–2005” report has caused discontent among the public.

Democracy, human rights, and freedom are historical categories. Such rights depend on the specific conditions of each country. They also need to be interpreted differently according to different walks of life, different social strata, different communities in a society, and different civilizations. Talking with Beijing University students in China in June 1998, the then U.S. president Bill Clinton asserted that human rights “are the birthrights of people everywhere” and that the United States did not want to impose its vision on other nations.

On the tenth anniversary of the normalization of United States–Vietnam diplomatic relations, Vietnamese Prime Minister Phan Van Khai paid a visit to the United States. On 21 June 2005, he had a talk with President George Bush at the White House. After the talk, the two leaders discussed measures to strengthen bilateral relations. They expressed their satisfaction at the progress so far. They asserted that United States–Vietnam relations were characterized by mutual respect; enhancement of economic and trade ties; sharing of interest in peace, prosperity, and security in Southeast Asia and Asia-Pacific; and increasing of cooperation in issues of common concern.

The Vietnamese prime minister and the U.S. president stressed that the two countries had common interests in strengthening bilateral cooperation within the framework of a stable and permanent partnership. To that end, they reaffirmed the policy of bringing bilateral relations to a new height through developing a constructive and friendly partnership and multifaceted cooperation on the basis of equality, mutual respect, and mutual benefit. They agreed on the importance of continuing straightforward and open talks about issues of common concern, including the realization of human rights and conditions for religious followers and ethnic minority people. The U.S. president applauded Vietnamese efforts in this connection so far and wished to see continued progress.

In the international context in which humanity has entered the twenty-first century with the trend of globalization, no country can ever develop if it stays separate and isolated from the international community. Globalization is an irreversible trend; economic globalization inevitably leads to cultural and social globalization. Yet economic globalization cannot give rise to a single economic entity. Similarly, cultural globalization cannot result in a single cultural entity. Rather, it would bring about diversity within unity. However, it is necessary to acknowledge an objective trend—that globalization will cause different cultures and civilizations of humanity to interact.

Indeed, in the late twentieth and early twenty-first centuries, we have been seeing enormous changes in international life. Western predominance over various areas of life tends to lessen, giving way to many non-Western countries. The emergence of the “Asian dragons,” particularly China, serves as a phenomenon of the twenty-first century. There have been trends towards tolerance, amicability, cooperation, dialogue, and willingness to close the past of hostilities and come to each other in a sincere manner for a better future. Such trends were illustrated in the U.S.-Vietnamese relations with Vietnamese Prime Minister Phan Van Khai’s visit to the United States in mid-June 2005. Meanwhile, hatred has been bred and conflicts have broken out in quite a few places in the world. Many people are happy because of the achievements brought about by globalization. At the same time, humanity is concerned about instability and the threats globalization may cause. These range from disputes over land and sea territories and religious and ethnic differences to extremist religious and nationalistic movements; from the spread and seriousness of international terrorism to national, regional, and international disagreements about the rich-poor gap; from prostitution and drug abuse to the traffic in women and children; and from the deteriorating environment to widespread moral breakdown. These constitute the adverse effects of globalization.

Globalization has created interaction among countries and tends to depend heavily on large cultural centers. But it does not, and can hardly, eliminate the diversity of various cultures.

Diversity is determined by national sentiments and aspirations to preserve the national cultural identity. Such aspirations have taken root in people's thinking and feeling and have become national consciousness. Exchanges among different cultures and the preservation of cultural characteristics will be enhanced amid globalization. This will create unity of diversity and diversity within unity. To establish a single culture and religion that stands beyond nations and societies amid globalization is a utopian idea. To date, there are good grounds for asserting that a relatively common culture will take shape on earth during the process of globalization. However, such a culture should not be the only one. It should not exclude the cultural peculiarities of each nation and each region but should preserve them. This is because each nation will borrow from other cultures what agrees with its national characteristics. When a nation manages to introduce many of its cultural elements into the world culture, it will have more opportunities to protect and preserve its own culture in the face of globalization.

The culture of humanity is composed of the individual cultures of different nations. Each of the cultures consists of universal values and also ones that are typical of its people. However, it should be noted that any backward, obsolete, or even inhumane, values of the culture need to be eradicated while it is necessary to maintain what are considered its fine values. Such eradication is only effective when international exchange takes place.

During the course of history, traditional values do not necessarily stay the same. They sometimes change or are replaced with new values suitable for requirements of modern life.

At present, many scholars show their interest in the issue of "cultural invasion." "Cultural imperialist invaders" are trying to spread their culture in other nations. Although not all exotic cultural values are negative, quite a few countries are witnessing the "import" of lifestyles that adore material values, awaken instinctive needs, or lure people into mediocre pleasures, making them disregard traditional moral values, lose ideologies, or turn their back to the history of their nation. With the advantage of modern communication, the "attraction" of Western culture is penetrating deeply into different walks of life and different nations. Western

culture has not only reached urban areas but also remote and ethnic minority areas.

The open-market economy and enhanced economic and cultural exchanges are having strong everyday impacts on national cultures, beliefs, and religions. Since the Cold War ended, economic and political ambitions have posed new challenges to humanity. Such challenges include worsening environment, increasing drug abuse, prostitution and gambling, and deteriorating moral values. So far, countries like France and Sweden have shown their concern about the “cultural invasion” phenomenon. These countries have launched “resistance” campaigns against the invasion of foreign cultures in their own cultures. Vietnam’s neighboring countries have sounded warnings against such phenomena. In Singapore, the former prime minister, Goh Chok Tong, maintained that disorders in the United Kingdom and the United States involving an increasing number of the lower classes, which tended to use violence, lack education, abuse drugs, and have libertine sex, were the direct result of family units having become superfluous or even ineffective. According to him, if we lose our traditional values, strength, and familial bonds, we will lose our vitality and will eventually die out. Xrixakama Valithokama held that Thai people never look back to see who they were. Thais coming back from overseas would show disregard for their ancestors. That was why Thailand had fallen into a crisis of identity. Singapore’s first prime minister, Lee Kwan Yew, stressed that the Western human rights stereotype did not have room to survive in Asia. Former Prime Minister Mahathir Mohamad of Malaysia said Western democracy only gave rise to instability, economic downturn, and poverty.

Building an advanced culture rich in the national identity has become an extremely important task amid ongoing globalization. As a matter of course, it is unreasonable to restore customs that used to be disparaged or to follow an impossible new lifestyle for fear of the danger of deterioration of the traditional culture. It is not advisable to rely on the objective “to absorb the quintessence of human civilization” to acquire the rubbish of exotic cultures, creating a miscellaneous, ludicrous culture. It is time for

every Vietnamese person to realize the significance of sustainable national development. This means that economic growth should be closely linked to the preservation and promotion of the national cultural identity.

For the survival of the people and prosperity of the nation in the present trend of globalization, everyone should be aware of the need to preserve what are considered the fine values of national traditions and cultural identity, including beliefs and religions. However, this does not mean adopting a conservative or discriminatory attitude towards exotic cultures, or refusing to learn modern values. In fact, the national culture should be renovated and modernized. Beliefs and religions should also adapt themselves to the modern situation.

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#### NOTE

\**Overview of World Political and Social Issues in 2020*, nos. 26 and 27(2005): 34–35 (in Vietnamese).

# Neoliberalism and Class Formation on a Global Scale

Eddie J. Girdner

## *Introduction*

Within actually existing neoliberal capitalism today are crucial contradictions that cannot be overcome. Among these are the inability to generate sufficient employment, inequality on a global scale, the emergence of imperialism and imperialist wars, continued enclosure and pauperization, ecological crises, overproduction, underconsumption, the enormous waste of human potential on a global scale, and the forging of a global working class in an ever more precarious position. At the same time, neoliberalism tends to fragment consciousness, drowning class awareness in a sea of consumerism, making organizing and class struggle more difficult. Resistance tends to take perverted or alienated forms, as seen in religious fundamentalism, ethnic chauvinism, and random terrorist acts. The ruling class encourages these tendencies to divert attention from the crucial contradictions of exploitation under capitalism and imperialism.

Unable to deal with these crucial contradictions, the G-8 powers claim that the solution is more and deeper neoliberalism, which can only deepen the crises further.

I am struck by three contradictions that bear out the words of Marx and Engels in terms of how the bourgeoisie seeks to overcome

crises by “paving the way for more extensive and more destructive crises” (Marx and Engels 1976, 490). First is the crisis of capitalist accumulation in the United States, which is characterized by a long period of economic stagnation, brought about primarily by neoliberalism. Business and political elites seek to overcome the crises first by preventing national autonomous development in the periphery and second by clamping neoliberalism upon the entire world. This has led to recurring imperialist wars, such as in Korea, Vietnam, Central America, Afghanistan, and Iraq, in which many millions have perished since 1950. Some 3.4 million died in Vietnam alone. Now the so-called “war on terrorism” has replaced the Cold War as a way of controlling global resources. If the destruction of the World Trade Center Towers in New York City on 11 September 2001 had not occurred, the “war on terrorism,” or its equivalent, would have had to be invented to control global resources and markets and to maintain the rate of capitalist accumulation and corporate profits. The “emerging countries” will be allowed to “emerge” only if and when their economies are incorporated within the orbit of the U.S., European, and Japanese capitalist system of imperialism.

The second contradiction is the crisis over the constitution in Europe. The elites of Europe seek to overcome the crisis of economic stagnation by clamping a neoliberal constitutional treaty on the entire continent, which would essentially lock in neoliberal institutions and mechanisms.

The third contradiction is the debt crisis in the poorest countries of the world, such as many in Africa. This demonstrates clearly the failure for most of humanity of capitalism on a global scale. The issue could not be avoided at the G-8 meeting in Gleneagles, Scotland, in July 2005. The result, not surprisingly, is a Band-Aid with a deceptive sleight of hand—token debt relief just to prevent the embarrassing mass starvation of those on the African continent. Whatever is brought about will be oriented to steering African countries further toward a neoliberal and “open-market direction.” In other words, not only will the system that produced the crisis still be in place, its crisis-producing tendencies will become even more acute under further neoliberal reform.

A further crucial contradiction is the crisis of ecological destruction, which the continuation of capitalism simply deepens. George W. Bush has only recently come around to acknowledging that global warming “is an issue.” But from the perspective of the Bush administration, the issue is how to keep the United States emitting more than a quarter of all global emissions of greenhouse gases to promote U.S.-based corporations. No one really expects that figure to be lowered at the expense of the bottom line. The United States is essentially a tyranny, with giant corporations driving the government. Most big emerging-market countries are merely trailing in the wake of Flagship USA.

These contradictions serve to remind us that there is at the same time, an emerging process of class formation in almost every country today. The dynamics of the current neoliberal dispensation, ostensibly to overcome emerging crises, have only accelerated that process of class formation. The mechanisms are familiar and are designed for the purpose of diminishing democracy: the shift of power from governments to corporations, corporate globalization, attacks on social welfare and the working classes, diminishing democracy, increasing global inequality, the hollowing out of politics and government, and pauperization on a global scale. While there is an emerging mass consumerism, which gives the illusion that everything is fine in “emerging” countries such as Brazil, Mexico, and Turkey, one sees increasing inequality and unemployment. Such countries are potential bases for creating an increasing class consciousness and class formation on a global scale.

### ***Emergence of the new global class architecture***

What is the result of a world that is essentially neoliberal on a global scale? Some mantras of the prevailing ideology are: “there is no alternative,” “the end of history,” “the new world order;” “the war on terrorism,” “preemptive war,” “weapons of mass destruction,” and “democratization.” These essentially Orwellian mantras are from a dictatorship of capital that aims at the opposite of what is claimed.

Skirmishes with the ruling classes come when the propaganda starts to break down. The Europeans reject the European

constitution. Protests increase at G-8 meetings. Resistance is launched against North American capital in Venezuela. There is a global reaction against U.S. imperialism. One can argue that the result of this dynamic, this dialectical process, is that a new class cleavage is emerging all across the world. This results in new forms of class struggle.

I will refer to this phenomenon as the “New Global Class Architecture” (NGCA). This new configuration of class cleavage is today producing the “essential product,” which Marx and Engels wrote about in the *Manifesto of the Communist Party* (1976, 494). This is, of course, a long historical development. What is emerging is the global proletariat or class in opposition to capital and neoliberalism, which is generally misnamed globalization.

The forces behind U.S. imperialism in the twentieth century have now been revamped to provide a new ideology of imperialism for the first decade of the twenty-first century. Twentieth-century U.S. imperialism was underpinned by Wilsonian millenarianism, a zealous crusading mixture of religious Calvinism, brutality, and capitalism, as the basis of global empire. With Bush II, this has matured into a new “revolutionary movement,” led by the neoconservatives on the Potomac. The neoconservatives are full-fledged imperialists and unilateralists. They promulgated the doctrine of preemptive war and elevated it to official policy. It is actually preventive war, illegal under international law. This, along with the fallout from the first application of the Bush Doctrine in Iraq, a tragedy of world historical proportions, has been a boon to the political consciousness of people around the world. The United States is no longer seen as a benign superpower. The Iraq war has potentially contributed to an emerging class consciousness as well.

### ***The possibility of socialism***

The world has now reached the historical stage that makes socialism possible; only at this historical juncture have the productive forces been sufficiently developed. The bare indisputable facts about the global condition today are a forceful condemnation of the abysmal tragedy and failure of actually existing capitalism

for the overwhelming majority of humankind. Can humanity be proud that half of humanity is malnourished; one billion people live in slums; half of humanity lives on less than what two dollars a day can buy in the United States; one billion have no access to clean water; two billion have no electricity; two and a half billion have no sanitary facilities; one billion (or half) of the world's children suffer extreme deprivation because of poverty, war, and disease?

We next examine the result of the shift from the Bretton Woods period of capitalism to neoliberalism. The empirical data show that multinational corporations have had a negative effect on 60 percent of the world's population, have increased inequality, and have misallocated resources. New technology destroys jobs. World unemployment is 700 million, and capitalist agriculture perpetuates urbanization and pauperization. Employees of international financial institutions serve as economic hit men to lure countries into debt bondage to the West.

Recent work by Eric Olin Wright and others (2005), which examines modern concepts of class, demonstrates that class still matters. As pointed out in the *Manifesto*, "Of all the classes that stand face to face with the bourgeoisie today, the proletariat alone is a really revolutionary class. The other classes decay and finally disappear in the face of Modern Industry; the proletariat is its special and essential product" (Marx and Engels 1976, 494).

### ***Contemporary directions***

Current global tensions have reached a critical stage that calls for action. If the remedy is not progressive, moving toward socialism, then it is likely that resistance will take perverted or alienated forms, as we already see happening. Osama bin Ladin and George W. Bush have been successful in pushing the world in a destructive, possibly fatal, direction, very possibly leading to the destruction of the human species itself.

On the other hand, moves by President Hugo Chavez in Venezuela are challenging imperialism in Latin America and extending their influence throughout the continent. This movement is linked to the long and successful struggle in Cuba. In a similar

vein, Samir Amin has suggested possibilities for more effective class struggle from below in order to reverse the gains made by neoliberalism in the last three decades (2004a and 2004b). These are redefining the European Project to depart from the agenda of U.S. imperialism and lead to a democratic and nonimperialist social Europe. The “solidarity of the peoples of the South” needs to be reestablished, rejecting preventive war and demanding that the United States dismantle its military bases in Africa, Asia, and Latin America. The “reconstruction of a people’s internationalism” is necessary to prevent capital flight. Regional organizations should be established to stabilize currencies and economies on a regional basis and to regulate foreign investment in order to protect the people’s interests. Countries need to develop programs to protect the peasantry and free themselves from the global market in food. Debt collection by the International Monetary Fund is a form of pillage that drains countries of their productive capital. Countries must challenge this system and demand full cancellation of debt to the West.

The possibility that this agenda will not be stillborn lies in the fact that the United States is more and more becoming a hollowed-out power, economically, politically, and morally. It can no longer command and control the entire world, since it has become dependent on the entire world to finance its growing deficits. Countries on the periphery cannot be expected to go on financing imperialist wars that rob their own people of the fruits of their labor. The time has come to call a halt to this charade. Today it is becoming obvious to the entire world that Bush and Blair are dancing on the world’s stage without clothes. This is a crucial time to demand justice based on global reality and social justice. The only alternative is more bombs, more imperialist wars, and the imminent destruction of the human species.

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# The Necessity of Democratic Socialism

Armen Baghdoyan

## *Cultural homogenization and class division*

The intolerance of the neoliberal ideology toward cultural diversity is manifested and propagated by bourgeois propagandists like Samuel Huntington, whose theories about the clash of civilizations leave no room for cultures other than his own. These theories have proved to be nothing but an ideological contrivance for the impending aggression of the imperialist hyperpower against recalcitrant countries.<sup>1</sup>

David Henderson claims that “whatever your criterion for culture, the odds are extremely high that with capitalism, that is, with free markets, you will get more of the kind of culture you want than you will get when government has a heavy hand over the economy” (1999). As a typical bourgeois analyst, Henderson has already transformed culture into a quantifiable commodity that can be produced more efficiently in capitalist than socialist relations of production. This gentleman has no idea that profit-driven culture and people-driven culture can never have the same content.

The class content of the rules of globalization cannot be denied, neither can it be avoided. While capitalist culture is driven by the profit motive and is created and controlled by the corporate elite, socialist culture is created by the people for the benefit and enjoyment of the people. Capitalist rules of greed and profit maximization lead to global economic poverty and cultural devastation.

*Nature, Society, and Thought*, vol. 19 no. 2 (2006)

Polarization within nation-states goes hand in hand with global polarization. In the core capitalist countries, privatization in many public economic areas, as well as concentration of capital and finance among fewer and fewer beneficiaries, has led to a socially untenable situation. In the periphery, most means of production have been privatized and plundered by the core. Even champions of globalization do not dispute these facts (Roby 2005). The question then becomes: Were these results of neoliberal aggression intended or unforeseen? How can bourgeois antiglobalization economists like Stiglitz (2002) still insist, after numerous instances of Structural Adjustment Program failures, that the IMF and the World Bank meant well, even though the economic policies they imposed on debtor nations failed miserably and repeatedly? Were they mistaken policies or deliberate tactical attacks on sovereign nations in the grand strategy of U.S. global hegemonic ambitions? Are the consequences of globalization accidents of economic decisions or conditions that inevitably follow the logic of the imperialist drive for plunder? <sup>2</sup>

### ***Globalization of class struggle***

Four of the most important weapons at the disposal of the United States are military supremacy, financial manipulations of the economies of needy countries, technological primacy, and dominance of the global mass media. The collective power of these agents has overpowered all opponents of the neoliberal project. An attempt by any single country to break out of the straitjacket has been brutally punished. The “end of history” has been proclaimed with the claim that there is no option to the inhabitants of the world other than to yield their destiny to the will of the champions of neoliberalism. “In these new times of alienation, the era of the internet, a single world culture or ‘global culture,’ information technology—the new ‘opiate of the masses’—is playing a fundamental ideological role in gagging thought,” writes Ramonet (2004, 4–5).

While neoliberals have won some battles, the war of classes and cultures has just begun. Alienation from the arrogant imperialism of the United States and worldwide cooperation—if not yet organization—against the neoliberal/neoconservative

global offensive now stretches from Latin America all the way to Southeast Asia. From socialists to liberals, from nation-states to social movements, from local revolutionists to global activists, a cry for change is being heard loud and clear. Global totalitarianism is being rejected globally. It has brought nothing but global poverty and widening of the gap between classes. It has ruined local cultures and national sovereignties. It has spread hopelessness in the human economic and political process.

History has no record, however, of an economic-political system that morphs itself into its antipode by its own volition. The last decade has experienced the phenomenal expansion of neoliberalism. All signs point to the fact that we are now witnessing the beginning of its end.

***Bidirectional confrontation: Political and ideological***

The weak link in the global system is the semiperiphery, which includes large countries that have gone through a socialist experience or may undergo socioeconomic transformations conducive to democratic socialism. The trends in Latin America, where a coalition of influential countries is currently defying the United States and fighting to opt out of neoliberal hegemony, are a great example of solidarity bringing weaker nations together to confront a powerful common adversary. Political developments with unequivocal anti-American overtones in Brazil, Venezuela, Argentina, Uruguay, Bolivia, and other Latin American countries are indicative of the intolerability of the current core-periphery relationship. The majority of Latin American governments have a leftist or socialist orientation. Brazilian President Lula da Silva has joined forces with the Venezuelan president in the latter's quest to consolidate and expand his "Bolivarian Revolution" in the region. Furthermore, Lula da Silva untiringly proclaims the need for Brazil to lead South American integration, a political ambition he shares with Chavez and Fidel Castro, joined now by the new president of Uruguay, Evo Morales, as well as the president of Argentina, Nestor Kirchner, who just bid goodbye to the IMF.

The war on imperialist globalization is taking shape in two dimensions: 1) struggle in the semiperiphery for democratic socialism; 2) global antisystemic ideological movement. Christopher Chase-Dunn argues that ideological antisystemic movements are important allies to the semiperiphery in materializing the socioeconomic transformation leading to democratic socialism (2002, 60).

We cannot, however, ignore the fact that popular opposition to globalization, although widespread and intense, is still fragmented. The consolidation of the fragmented movements will be a giant step forward for democratic forces and will provide ideological support for the semiperiphery. This is a formidable but necessary task. Many great thinkers of social and economic developments are coming to the conclusion that global conditions are intolerable and change is imminent. It may not happen within the next decade, but neither will it take centuries. However, unless fragmented movements now opposing neoliberal globalization articulate an alternative vision of socioeconomic development including both the core and the periphery, there will not be enough momentum either to fight the existing system or unseat the global oligarchy.

Marx and Engels formulated the socialist project in the *Communist Manifesto* a century and a half ago as the formation of “an association in which the free development of each is the condition for the free development of all” (1976, 506). This clashes head-on with the capitalist culture of acquisition, dominance, and polarization of societies.

Fidel Castro, referring to the Third World, declared, “We either unite and establish cooperation, or we die!” (2000). The creation of a polycentric world and the promotion of a solid democratic socialist ideology are the two strategic components of the fight against the neoliberal/neoconservative conspiracy of global domination at this stage of historical development.

Neoliberals leave us with no other option than to work out a plan for their demise.

Paper presented in longer form at conference “Consequences of the Changing World Economy for Class Relations, Ideology, and Culture,” Ho Chi Minh National Political Academy, Hanoi, 2–4 January 2006.

*Boston*

## NOTES

1. In a typical U.S. mainstream academic discourse, Huntington elaborates his views on civilizations as distinctive cultural formations. Without any consideration of class conflicts or global exploitation, Huntington sees the “West’s universalist pretensions” as increasingly at odds with other civilizations and calls on the United States to reaffirm its leading role to “renew and preserve” Western civilization against challenges from non-Western societies, especially Islam and China.

2. Stiglitz points out that the failures of IMF and the World Bank-enforced globalization, and advances the thesis that the problem is not the principle, but the methods used to implement it (2002).

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## Book Reviews

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*Lenin, Hegel, and Western Marxism: A Critical Study.* By Kevin Anderson. Urbana: University of Illinois Press, 1995. 311 pages, cloth or paper \$21.00.

This sprawling work is part history of Western Marxism since 1914 and part philosophical treatise. It attempts to prove that Lenin was the founding father of the long and highly influential line of Western, or Hegelian, Marxist philosophers that includes such luminaries as Antonio Gramsci, Karl Korsch, Georg Lukács, Ernst Bloch, Henri Lefebvre, Herbert Marcuse, C. L. R. James, and Raya Dunayevskaya. The author, Kevin Anderson, is an associate professor of sociology at Northern Illinois University.

Part one of the book's three parts asserts that Lenin's reading of Hegel during the crisis of world Marxism in 1914 led to the incorporation of Hegelian dialectical concepts into Lenin's political thought. For the first time, according to Anderson, Lenin shed the vulgar materialism of his pre-1914 thought and became a true dialectical materialist. Part two, covering the period 1914 to 1923, attempts to demonstrate the influence of Hegelian dialectics on Lenin's new thinking about imperialism, national liberation movements, and the role of the state in the socialist revolution. Part three, covering the 1920s to the 1990s, traces the influence of Anderson's Hegelianized version of Lenin on the development of Western Marxism.

The book is absorbing and highly provocative, but in this reviewer's opinion its core argument is fundamentally unoriginal and ultimately unconvincing. It begins at the outbreak of World War I in August 1914, when the leaders of the major European

social democratic parties repudiated the antiwar positions of the Second International's 1907 and 1912 congresses by voting to support the war efforts of their respective bourgeois governments. This led to the collapse of the Second International as a force united in opposition to militarism, bourgeois nationalism, and imperialist war. According to Anderson, Lenin—then living in Poland—was so shocked and disoriented by this betrayal of proletarian internationalism that he took to reading Hegel's *Science of Logic* in order to reassess his understanding of dialectics. It seems to Anderson that Lenin was looking for a new theoretical understanding of how a socialist organization like the Second International could suddenly embrace reaction, as well as philosophical guidance for finding a way out of the crisis of socialism brought on by the collapse of the International. In Anderson's version of events, Lenin became convinced that the demise of the Second International exposed fundamental flaws in Marxist theory and practice that could only be remedied by returning to Hegel.

Obviously, the attempt to delineate Lenin's psychological state and his motives for reading Hegel at that particular juncture is at best highly speculative. Nevertheless, the following facts are not in question: In late August 1914, Lenin changed his place of exile from Poland to Switzerland, and from September to December he spent much of his time in the Bern library wrestling with Hegel's *Science of Logic*. Lenin recorded the encounter in two seventy-page notebooks that he filled with extracts from and comments on Hegel's massive treatise. These "Hegel Notebooks" take up a large portion of volume 38 of the Moscow edition of Lenin's collected works, and they serve as the textual basis for Anderson's claims regarding Hegel's influence on Lenin's thought. Of course, as Anderson acknowledges, Lenin did more than just read Hegel during his stay in Bern; he also began calling for a new International and espousing revolutionary defeatism as the proper Marxist policy toward the belligerent countries.

Anderson somewhat cryptically characterizes Lenin's activities in Bern—the preoccupation with Hegel and the efforts to respond to the collapse of the Second International—as "two seemingly contradictory" concerns, and he presents Hegel's effect

on Lenin's thought as the resolution of the alleged contradiction. Anderson thinks that reading Hegel caused Lenin to break with his earlier understanding of Marxism as a form of conventional scientific materialism; it made Lenin appreciate the role of dialectical laws in the evolution of the material universe, and it formed the theoretical grounding of his response to the crisis of Marxism as well as his later theorizing on imperialism, national liberation, and the state and revolution.

In short, Anderson believes that the shock of the Second International's collapse made Lenin realize that he had reached a philosophical dead-end, and it was the encounter with Hegelian dialectics that helped him overcome it. Anderson, however, is not satisfied with the innocuous and plausible assertion that reading Hegel helped Lenin get his creative juices flowing again; he goes so far as to claim that Lenin made a complete break with his philosophical past and became a Hegelian Marxist by adopting key tenets of Hegelian philosophy such as the decisive role of subjectivity in the construction of knowledge and the evolution of human society, as well as a belief in the reconcilability of materialism and idealism.

According to Anderson, the pre-1914 (that is, pre-Hegel) Lenin was a crude mechanistic materialist with a naive "photocopy" epistemology and a dogmatic belief in a strict distinction between objectivity and subjectivity. Anderson implies that this is why the events of August 1914 took Lenin by surprise: a vulgar materialist understanding of Marxism coupled with an untenable epistemology duped Lenin into believing that the law of cause and effect simply guaranteed the union of the world proletariat against imperialism and the eventual triumph of socialism. It made him incapable of understanding the role of dialectical ebbs and flows in history and the influence of human subjectivity on social development; thus, the collapse of the Second International came as a complete shock.

According to Anderson, the post-Hegel Lenin abandoned the mechanistic materialism and the copy theory of knowledge found in such works as *Materialism and Empirio-Criticism* (Lenin 1972b). Armed with new convictions regarding the unity

of materialism and idealism, the nature of the dialectical movement of society, the unity and transformation opposite tendencies in social development, and the importance of human subjectivity in the historical process, Lenin returned Marxism to its idealistic roots, as exemplified in Marx's *Economic and Philosophic Manuscripts of 1844*, and thereby opened the era of Hegelian, or Western, Marxism. Once free from the thrall of vulgar materialism, the new Hegelianized Lenin produced innovative theoretical work on imperialism, national liberation, and the nature of the revolutionary socialist state; and these ideas produced concrete results—the most momentous of which was the Great October Socialist Revolution—through which the world socialist movement rose phoenix-like from the ashes of the Second International.

The problem is that if Anderson's thesis is to have any real merit, he must provide convincing support for his two central assertions. The first is that before reading Hegel, Lenin was a vulgar materialist; the second is that after reading Hegel, Lenin became a Hegelian Marxist, which is in Anderson's view the equivalent of a dialectical materialist. In Anderson's usage, however, a dialectical materialist is a Marxist who believes that Hegelian idealism and materialism can be reconciled, whereas the term *dialectical materialist* in its traditional use indicates a Marxist who believes that the dialectical method can be separated from Hegelian idealism, conjoined with materialism, and used as a philosophical weapon for the advancement of the international socialist movement. What evidence does Anderson provide in support of his claims?

To support the first claim, Anderson uses some extremely brief out-of-context extracts from *Materialism and Empirio-Criticism*, as well as some *ad hominem* attacks, in an attempt to establish that Lenin's pre-1914 materialism was "crude," and "dogmatic," and that the book is "vituperative," and "scholastic"—a mere polemic rather than a serious and enduring work of Marxist-Leninist philosophy. It is embarrassing to watch Anderson sophomorically marvel at the abstruseness of *Materialism and Empirio-Criticism's* subject matter while at the same time trying to charge Lenin with unfairness to his idealist opponents. Here is a typical passage:

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In *Materialism and Empirio-Criticism* Lenin spends over 300 pages arguing such concepts as the material existence of the objective world independent of human consciousness. Not content to charge his opponents with idealism or solipsism, he evidently felt the necessity to show their reactionary character by attributing a necessary link to mysticism or the conservative religious views of British philosopher George Berkeley, using parallel quotations to do so. (21)

This criticism is naive and unjust. Lenin was perfectly correct to spend so much of *Materialism and Empirio-Criticism* arguing for the existence of an objective, mind-independent world since his opponents, the Empirio-Critics, denied the existence of such a world. Furthermore, Lenin was correct in labeling his opponents idealists or solipsists since these are the only philosophical positions left to those who deny the objective existence of the material world. Finally, Lenin was also correct in linking the Empirio-Critics both to mysticism and the philosophy of Berkeley. Bishop Berkeley was, of course, the founder of modern idealism; his idealism, as are many other forms of idealism, is clearly a philosophically sophisticated version of traditional theism.

The most egregious error in Anderson's critique of *Materialism and Empirio-Criticism*, however, is his repetition of the oft-repeated charge that the work espouses a crude, "photocopy" epistemology, as if Lenin actually believed that mere sense perception provides complete and final copies of reality that in turn reveal the absolute and final truth about the world. Here, from the Moscow edition, is an example of what Lenin actually said about sense perception:

For the materialist our sensations are images of the sole and ultimate objective reality, ultimate not in the sense that it has already been cognized to the full, but in the sense that there is not and cannot be any other. (1972b, 129)

Here Lenin clearly states that the senses provide incomplete images, not exact copies, of objective reality, and he is careful in noting that the senses do not provide complete cognition of reality. He also emphasizes his view that objective reality is the only reality that can be cognized; there is no subjective reality, as the idealists

like to claim. Suffice it to say that such a view could only be considered naive and dogmatic to one who is already an incorrigible idealist.

From the very outset of the critique of Lenin's philosophical views, this reviewer was left with the unmistakable impression that Anderson is not quite equal to the philosophical complexities of his subject. Regarding the second claim, Anderson is never able to provide clarity on the fundamental issue at its basis—that is, a clear definition of the differences between idealism and materialism and an informed discussion of their prospects for reconciliation. Perhaps Anderson is unaware of the need for, or incapable of conducting, such a discussion, or perhaps he realized that clarity on this subject would make plain the impossibility of reconciling materialism and idealism. Be that as it may, this fundamental problem is constantly glossed over, creating the false impression that there is something to all of his talk about unifying idealism and materialism, when in fact it is a philosophical nonstarter.

In this reviewer's opinion, idealism and materialism are based on two logically contradictory assumptions: idealism assumes that the existence of the universe and the laws governing its evolution are dependent on the activity of minds or spirits, whereas materialism holds that these exist independently of the existence and activities of minds or spirits. Because these premises are logically incompatible, a meaningful reconciliation of the two positions is logically impossible. This incompatibility is clearly recognized by Lenin even in the *Philosophical Notebooks*, the text that according to Anderson is full of Lenin's paeans to the compatibility of the two positions. An unbiased reading of the *Notebooks* reveals the complete opposite. Lenin is always careful to distance himself from everything in Hegel that exemplifies textbook idealism and to praise him for views compatible with materialism. For example, at the very end of his "Conspectus of Hegel's Book *The Science of Logic*," Lenin praises the final chapter of the *Logic* in these terms:

It is noteworthy that the whole chapter on the "Absolute Ideas" scarcely says a word about God (hardly ever has a "divine" "notion" slipped out accidentally) and apart from that . . . it contains almost nothing that is specifically *idealism*, but has

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for its main subject the *dialectical method*. The sum total, the last word and essence of Hegel's logic is the *dialectical method*—this is extremely noteworthy. And one thing more: in this *most idealistic* of Hegel's works there is the *least idealism* and the *most materialism*. (1972a, 234)

Far from identifying with Hegelian idealism, Lenin is praising Hegel for finally superseding idealism and moving toward views in line with materialism. He also clearly indicates that he agrees with Marx's mature view that the dialectical method, not idealism, is what is useful in Hegel, and that dialectics can be completely separated from idealism and conjoined with materialism. Here Lenin shows that even after grappling with Hegel, he is committed to a dialectical materialism freed completely from the idealistic fetters that Hegel placed on dialectical concepts and methods. This unmistakably clear conclusion of Lenin's Hegel studies is constantly glossed over in Anderson's book. Anderson is simply wrong. Lenin's view is that idealism can never be united with materialism; rather, idealism must be superseded by materialism. With the collapse of his two key arguments, Anderson's philosophical thesis fails completely.

The book has nonetheless some value as a history of Hegelian Marxism up to recent times and it does provide a source of some provocative, although ultimately untenable, interpretations of Lenin. This reviewer would have had a somewhat higher opinion of the work if the main arguments were original to the author, but alas they are not. Anderson's arguments were presented more succinctly and engagingly by his mentor, Raya Dunayevskaya, in her classic *Marxism and Freedom: From 1776 until Today* (1958), particularly in chapter 10, "The Collapse of the Second International and the Break in Lenin's Thought." Interested readers should first wrestle with this position in its original formulation before turning to Anderson's rather uninspired restatement. Furthermore, they should always keep handy a copy of Lenin's original *Philosophical Notebooks*, in order to identify the exaggerations, distortions, and omissions of this line of argument.

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*The Deacons for Defense: Armed Resistance and the Civil Rights Movement*. By Lance Hill. Chapel Hill: The University of North Carolina Press, 2004. 363 pages, cloth \$34.95.

During the early 1960s, a small but potent group of African American working-class men from Jonesboro, Louisiana, defied the dominant nonviolent mainstream civil rights crusade by creating an armed self-defense organization known as the “Deacons for Defense and Justice” (2). The primary goal of the Deacons was to protect civil rights workers from all white supremacy groups, such as the Ku Klux Klan. By the middle of the decade, they established themselves as the symbolic voice of the emerging Black-power faction of the African American freedom movement. Lance Hill’s engaging volume offers the first detailed examination of this often ignored but very significant civil rights organization.\*

Hill’s *The Deacons for Defense* traces the origins of this armed self-defense organization from its inception in 1964 through its rapid growth to its zenith of several hundred members and twenty-one chapters throughout the Deep South. In his analysis, the author calls into question the dominant historical interpretation of the Black American freedom struggle of the 1940s, 1950s, and 1960s resting on the notion that the movement was led solely by a unified and nonviolent group of middle-class religious leaders. More specifically, Hill claims that the working-class-dominated Deacons played a vital critical role in the civil rights movement because the organization forced the federal government to neutralize the Klan and to uphold the political and civil rights of local

African Americans, based on the concepts of “fear and respect, rather than guilt and pity” (9).

In his first four chapters, Hill highlights the various factors that led to the creation of the Deacons and describes some of the founding members. He recounts how the national media viewed this new self-defense organization, and the critical role the group played in the Selma to Montgomery March of 1965. The author contends that despite some early difficulties, the Deacons gradually developed a formal leadership structure and a working-class membership body. This vital civil rights group articulated a militant and combative tone that encouraged African American participants and supporters to accept the belief that “they were entitled to the same rights, respect, and honor as whites” (76).

Hill next describes the origins and activities of the Bogalusa, Louisiana, chapter of the Deacons for Defense, the largest and most famous unit. In several chapters, the author discusses the early years of the Deacons, with great detail and precision, including several tactical conflicts with the local CORE and SNCC chapters. Most important here, however, is Hill’s discussion of the intense confrontation and subsequent victory achieved by the Bogalusa Deacons chapter over the local Klan group. This event symbolized the emerging challenge to the nonviolent philosophical framework of the early years of the civil rights movement, a challenge that stressed the use of “force to secure one’s rights” (163).

Hill’s book ends with a brief critique of “traditional” interpretations of the civil rights movement that placed the numerous gains African Americans obtained during this period solely on the shoulders of nonviolent ideological orthodoxy of the Black American freedom struggle. In general, the author contends that such analyses are inaccurate because of failure to incorporate the essential and crucial role that various armed self-defense organizations, such as the Deacons for Defense, played throughout the entire era of the civil rights movement.

*The Deacons for Defense: Armed Resistance and the Civil Rights Movement* is a lucidly written and carefully researched volume. This refreshing and riveting analysis clearly documents how militant African American southern men, primarily from

the working class and the military, united to start an armed self-defense organization that had a profound impact on the civil rights movement. The only minor shortcoming is that the role working-class Black American women played in the Deacons chapters throughout the South receives only scant attention. Nevertheless, this powerful study adds a great deal to our understanding of the African American led freedom struggle.

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#### NOTE

\*In 2003, Showtime Entertainment released the film *Deacons of Defense*, which chronicled some of the triumphs and tragedies of the Jonesboro, Louisiana, chapter of the Deacons for Defense and Justice.

*Why Read Marx Today?* By Jonathan Wolff. Oxford and New York: Oxford University Press, 2002. 144 pages, cloth \$27.50, paper \$15.95.

Since the collapse of the Eastern European Communist governments and the subsequent dissolution of the Soviet Union, resistance has been minimal to relentless efforts in the media and the academy to distort both the history of communism (and socialism) and the views of its major theorists. For this reason alone, the need for competent and fair-minded scholarly works on Marx's thought is plainly as urgent as ever. It is therefore especially unfortunate, though not at all surprising, considering the ideological fallout from 1989, that such works seem to be appearing with

much less frequency than, say, twenty years ago. This decreased volume is not the only notable difference between today's Marx scholarship and that which appeared in the years preceding "the end of history." Recent works, even those largely sympathetic to Marx, tend to be unduly cautious in endorsing any Marxist positions, and quite skeptical, when not downright pessimistic, regarding the prospects for future political projects of a broadly Marxist orientation. While this tendency is likewise a consequence of the contemporary political *Zeitgeist* and the emergence and consolidation of alternative theoretical paradigms (such as egalitarian liberalism), it is also due partly to developments in Marxist scholarship itself, most notably the (critical) contributions of the "analytical Marxists."

In *Why Read Marx Today?* Jonathan Wolff, a philosophy professor at University College London, sets out to make a case for the continuing relevance of Marx to the contemporary world. On the whole, Wolff's brief book proves quite successful in providing a lucid and sympathetic overview of Marx's central ideas and theories. While intended as little more than a general exposition of the main lines of Marx's thought (as should be evident from the book's length, if not its title), *Why Read Marx Today?* is clearly informed by a thorough command of much of the specialist literature bearing on its themes. If, as I suggest below, this useful book displays some of the shortcomings of contemporary Marx scholarship, it nonetheless serves as an eminently accessible introduction to Marx.

Aside from the preface, introduction (mainly a sketch of Marx's life and writings), and end material (including references and a guide to further reading), *Why Read Marx Today?* consists of three chapters. The first chapter focuses on themes from the young Marx. These include Marx's interpretation of religion, his development of historical materialism, his views on labor and alienation, his critique of money and credit, his analysis of liberalism, and his conception of human emancipation. Wolff's treatment of all of these topics is clear, accurate, and economical. His discussion of Marx's perspective on religion, including his explanation of the famous "opium" metaphor, is especially noteworthy (20),

as are his remarks on Marx's relationship to Hegel and Feuerbach. The discussion of the varied senses of "alienation" in Marx's early writings is also illuminating. Finally, the chapter also does a good job of explaining succinctly the basis for Marx's critique of liberalism and liberal rights (44).

In the second chapter, "Class, History, and Capital," Wolff examines Marx's views on class and capitalism and reviews the Marxian theory of history in more detail, while also sketching both Marx's conception of the transition from capitalism to communism and the nature of communism itself. Here too are fine, if brief, discussions of all of the topics addressed, which include Marx's theory of value and some of the basic concepts of historical materialism. Perhaps the most valuable parts of the chapter are Wolff's discussion of class and class consciousness and his account of Marx's theory of history—plainly indebted, as Wolff acknowledges (128), to G. A. Cohen's influential reconstruction of the theory. Also very good is the explanation of the role of the concepts of "surplus" and "abundance" in Marx's thought (85–87).

The final chapter, "Assessment," essentially reviews the strengths and weaknesses of the views presented in the preceding pages, while at the same time explaining the grounds for Wolff's contention that many of Marx's theories and theses are untenable today. Needless to say, in books of this nature—ones that purport to define why something should be read today—a concluding "assessment" inevitably proves to be the most significant and controversial part of the text; Wolff's book is no exception.

As for the themes from the early writings, Wolff registers familiar objections concerning Marx's view of religion (for example, the fact that religious belief continues to be prevalent even among those who are relatively affluent), observing that "Feuerbach's thesis that man invented God is detachable from Marx's hypothesis concerning why we have done this" (104). With respect to Marx's analysis of alienation, Wolff both suggests that alienation "could be a feature of any highly mechanized production process" (in effect endorsing ideas associated with proponents of "industrial society" theories), and contends that in any case "Marx does very little to tell us what non-alienation would be like" (104–5).

Wolff is even more dismissive of Marx's economics, rejecting the labor theory of value as well as "the law of the declining rate of profit." As for Marx's theory of history, he argues that Marx simply "does not give adequate grounds to believe that capitalism must eventually fetter the productive forces" (110), and thus there is no compelling reason to believe that capitalism necessarily will come to an eventual end, let alone that it will be replaced by communism (111).

Wolff devotes a considerable amount of space to a discussion of problems that communism poses as an objective and ideal. He divides these problems into four "difficulties," by which he means four basic doubts about, or objections to, communism. The first of these difficulties concerns the alleged long-term instability, or rather inviability, of a communist form of social organization, given the reality of human selfishness. Second, Wolff maintains, following Hayek, that coordination problems would plague and ultimately doom a noncapitalist economy, lacking as it would the "fantastic information exchange" (120)—that is, the market. Third, Wolff claims that ecological constraints, barely imaginable in Marx's time but generally acknowledged today, limit our possibilities for attaining real "abundance," a condition that Marx of course regarded as indispensable for the success of communism.

Wolff addresses last "what may well be the deepest problem of all," namely the assumption that "the basis on which we form ourselves into collective actors is economic" (121). In other words, Wolff challenges the thesis that insists on the primacy of class in establishing social identities. Wolff suggests that other forms of collective self-identification may prove just as important and are unlikely to disappear with the end of economic divisions. Developments in post-Communist Eastern Europe tend, Wolff argues, to corroborate his belief:

[W]hat we have seen in Eastern Europe is that non-economic divisions—ethnic, religious—were suppressed only by highly authoritarian regimes, which controlled their people through fear and an iron hand. Once that authority subsided, ethnic division and hatred surfaced with a ferocity that few in the West had anticipated. The lesson seems to be

that human beings are more complicated than the Marxist picture assumes. (122)

Wolff concludes his assessment by venturing an explanation for the various flaws—from the inadequacy of the theory of surplus value and the implausibility of historical materialism to the vague and untenable conception of communism—that he finds in Marx’s thought. “All these difficulties,” he maintains, “share a common root: Marx’s account of human nature” (122). Specifically, Wolff has in mind two features of Marx’s notion of human nature (or at least that which he ascribes to Marx); one has to do with “universality,” and the other concerns “productive activity” (123). By “universality,” Wolff means the belief that human beings will be readily able, under sufficiently favorable conditions, to set aside or overcome divisions along, say, national, religious, or ethnic lines, in order to devote their efforts to the collective, or universal, good. Wolff claims, on the contrary, that we may well need these forms of “particularism”—indeed that most human beings may find these forms of identification indispensable in situating themselves in the world and establishing their identities:

Could there be an ineliminable ‘tribal’ element that makes universal co-operation impossible? The evidence from the world around us is that our sentiments are much more limited than Marx needs if international communism is to be a realistic aspiration. (123)

At the very least, he concludes, caution is warranted in making any assumptions about human potential, or more specifically, potential for universality. The phrase “productive activity,” on the other hand, is meant to refer to Marx’s claim that “the essential human activity is productive activity, specifically labour” (124). Wolff doubts whether “labour” really has the importance that Marx ascribes to it, noting that “if production is only one of a number of vital human activities” and hence we remain “divided on religious, philosophical, national or even linguistic grounds,” then “we may find that we are still divided in communism.” Furthermore, if these other factors prove as important as the activity of labor, then Marx’s theory of history is also

compromised, since it “essentially . . . relies on our productive needs dominating all other needs” (125).

All in all, *Why Read Marx Today?* provides a highly readable introduction to Marx’s thought, and will serve as a useful supplement to readings from texts by Marx and Engels themselves. Considering the length of the book, Wolff’s coverage is remarkably comprehensive. More important, his account of Marx’s thought is for the most part reliable. Indeed, while the book plainly exaggerates the utopianism in Marx’s vision of communism—did Marx *really* believe that communism would produce “the end of strife and conflict” (98–99)?—and contains one sketch of the transition teristic of Marx’s thinking on this topic (90–91), I noted only one outright inaccuracy. Contrary to the view that Wolff appears to ascribe to Marx, th from capitalism to communism that would seem very uncharacteristic, the latter did not think deskilling is as such objectionable, as Wolff suggests in stating that “the division of labour need not be alienating in itself; it is only so when it leads to de-skilling” (104). In fact, Marx’s vision of an “end” to the division of labor within the factory rests on the assumption that mechanization and automation will eventually reach a degree of sophistication making possible truly diversified work routines (e.g., regular, extensive job rotation)—but this is precisely because the work of overseeing jobs that are fully mechanized and automated barely requires any special skills at all. It is this reasoning that informs a familiar passage in the *Grundrisse*, in which Marx observes:

The fact that the particular kind of labour is irrelevant corresponds to a form of society in which individuals easily pass from one kind of labour to another, the particular kind of labour being accidental to them and therefore indifferent. . . . [L]abour . . . has become here a means to create wealth in general, and has ceased as a determination to be tied with the individuals in any particularity. (1986–87, 28:40)

True universality in production, in short, presupposes a high degree of deskilling.

In addition to being a generally fair and reliable introduction to Marx, *Why Read Marx Today?* has other merits as well. Let me

mention two of these very briefly. First, it is free of the disparaging hostility toward Engels that mars some academic writing on Marx, including works by authors who are otherwise sympathetic to Marxism. Indeed, Wolff explicitly acknowledges that his exposition is based largely on Engels's rendering of Marx's ideas (11–12). Second, Wolff effectively conveys Marx's fundamental *radicalism*, as well as his continuing significance as a *political* thinker. He does not attempt (to use Lenin's expression) to "turn Marx into a common liberal," nor does he ever suggest, as is not uncommon today, that Marx's relevance for the contemporary world is to be found elsewhere than in political theory (as, for instance, an inspiration for cultural criticism).

Yet despite the undeniable merits of *Why Read Marx Today?*, the book ultimately proves somewhat disappointing. The problem is not merely that some of Wolff's criticisms of Marx seem unjustified or mistaken. Rather, it is that Marx's contribution to political thought is presented in essentially negative terms, as though Marx were valuable only as a *critic* of political philosophy and capitalist society. The answer to the question posed in the book's title, therefore, has nothing to do with political projects for the future. For while "Marx remains the most profound and acute critic of capitalism, even as it exists today" (126), while he "does say many true and inspiring things" and produced "work . . . full of insight and illumination" (125), he "has little to tell us now about how to arrange society" and it is likely that "we may have no confidence in his solutions" (3). The ultimate problem is, quite simply, that "Marx's grandest theories are not substantiated" (125). Consequently, "we must abandon Marx's grand theories," although "there is still much to be learnt" (11).

What is especially remarkable, and exasperating, about this conclusion is that Wolff never really bothers to tell us what Marx's "solutions" are, for the book contains no real discussion of Marx's—let alone *Marxist*—*politics*. Marx's concrete political proposals and commitments—his "solutions"—are not the same as his theories. Accordingly, even assuming that Marx's more ambitious theories remain unsubstantiated (and one wonders whether Wolff thinks rival theories, such as the philosophical anthropology

underpinning contemporary liberalism, are any better substantiated), it may still be the case that a Marxist politics offers the best hope for eliminating the injustices that Marx, and Wolff, describe and analyze. But Wolff can hardly begin to address this question, much less reach a credible verdict concerning Marx's "solutions," since his account for the most part either ignores Marx's political writings or focuses on their more narrowly philosophical/theoretical aspects, as, for example, when he discusses the *Communist Manifesto*.

To be sure, one might argue that to assert the autonomy of Marxist politics vis-à-vis Marxist theory is contrary to the spirit of Marx's thought, however much his own politics and theory may have diverged in practice. Yet before taking a position on this issue, it would seem that it is first necessary to consider both the practical implications of Marx's theories and the actual political commitments that Marx himself advocated or pursued. This task, however, *Why Read Marx Today?* leaves to others.

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## **Second Forum of the World Association for Political Economy (WAPE)**

### ***Call for Papers***

#### ***The Political Economy of the Contemporary Relationship between Labor and Capital in the World***

**University of Shimane, Japan, 27–28 October 2007**

WAPE, an international scholarly organization registered in Hong Kong, is founded on an open, nonprofit, and voluntary basis by Marxian economists and related groups all around the world. The standing body of WAPE includes the council, secretariat, academic committee, and advisory committee. The mission of WAPE is to utilize modern Marxian economics to analyze and study the world economy, reveal the law of development and its mechanism, offer proper policies to promote economic and social improvement on the national and global level, so as to improve the welfare of all the people in the world.

In April 2006, over one hundred Marxian economists from fifteen countries (China, U.S.A., Japan, Russia, Germany, UK, France, Canada, Austria, Belgium, South Korea, Vietnam, India, Israel, and Luxemburg) attended the First Forum of WAPE to discuss the topic “Economic Globalization and Modern Marxian Economics” and issued *The Manifesto of the First Forum of World Association for Political Economy* (the name of the association was slightly modified after the First Forum; see *Nature, Society, and Thought*, vol. 18, no. 4 [2005]: 560–62 for the text of the *Manifesto*).

#### **• Schedule**

1. Registration, 26 October 2007
2. Official program, 27–28 October 2007
3. Excursion to Hiroshima, 29 October 2007

● **Topics of the Second Forum of WAPE**

1. The general evolution of the modern relationship between labor and capital and its characteristics in the contemporary era.
2. The history, current character, and trends in the relationship between labor and capital in different countries.
3. The theory and practice of the labor movement and the trade-union movement.
4. The main theories of the relationship between labor and capital and class struggle in the history of Marxism.
5. Review of the theories of class, stratum, and class contradiction of bourgeois economics and other social sciences.
6. Theoretical analysis of the relationship among labor, capital, class, and stratum, and their contradictions in modern Marxian economics.
7. The construction and development of modern Marxian labor economics.
8. Imperialism and the peace movement in the world.

● **Costs**

All expenses during the conference such as travel, lodging, excursion and conference fee, which includes food and drinks, pick-up service, publication of the papers and so on, will be covered by the participants.

● **Submission of Papers**

Please e-mail your application, the full text of your paper on the above topics together with its shortened version of about 3000 words in English and your curriculum vitae (including your affiliation, list of published papers, contacting information, and so on) before 30 June 2007 to Dr. Xiaoqin Ding (Allen Ding), deputy secretary-general of WAPE (hpjjx@vip.163.com), and he will send you a formal invitation.

*Marxian economists all over the world are welcome to the Forum in the hope that their cooperation with each other will enlarge and strengthen the influence of Marxian economics in the world.*

## ABSTRACTS

**Werner Ebeling, “Value in Physics and Self-Organization in Relation to Marx’s Theory of Value”**—Values are nonphysical attributes of subsystems in a dynamic context, expressing the essence of biological, ecological, economic, or social relations and interactions in reference to the dynamics of the complete system. The author places particular emphasis on the role of values in the self-organization of physical, biological, and social systems, relating the discussion to Marx’s theory of value.

**NST Conference in Vietnam, January 2006.**—This issue includes a second selection of papers from the Conference “Consequences of the Changing World Economy for Class Relations, Ideology, and Culture,” Hanoi, 9–11 January 2006. Other papers from the conference appeared in *Nature, Society, and Thought*, vol. 19, no. 1.

## ABREGES

**Werner Ebeling, « La valeur en physique et l’auto-organisation par rapport à la théorie de la valeur chez Marx »**— Les valeurs sont des attributs non-physiques de sous-systèmes dans un contexte dynamique qui expriment les principes essentiels des relations biologiques, écologiques ou sociales ainsi que des interactions avec les dynamiques du système complet. L’auteur souligne particulièrement le rôle des valeurs dans l’auto-organisation des systèmes physiques, biologiques et sociaux, associant ainsi la discussion avec la théorie de la valeur chez Marx.

**Le colloque NST au Vietnam en janvier 2006** — Ce numéro comprend une deuxième sélection d’articles présentés au colloque « Les conséquences d’une économie mondiale en transition sur les rapports de classes, l’idéologie et la culture », Hanoi, 9-11 janvier 2006. D’autres interventions de ce colloque ont été publiées dans le volume 19, no 1, de *NST*.

*Nature, Society, and Thought*, vol. 19, no. 2 (2006)