

Introduction

Crisis: The One Certainty Under Capitalism

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New Proposals Editorial Collective

One year after the ‘great’ economic collapse and the ‘unthinkable’ takeover of the commanding heights of the US economy by neo-conservative President George W. Bush, one wonders if anything has really changed.

The Big Three, Chrysler, GM, and Ford, are still putting out their car and trucks; but (apparently) in a whole new way. “We are building a new car company,” Chrysler tells us. GM is “reinventing the automobile and our company.”

We’ve had a year of big bosses apologizing for being bad businessmen and then asking for more money from government. Governments the world over have rushed into the breach taking over national firms and bailing out transnational corporations.

On Wall Street bonuses, despite warnings from various government leaders, still seem to pour forth. Despite the unseemly mess of the financial sector scooping up hundreds of millions of support funding and then paying out bonuses as per normal (what ever happened to the idea that a bonus was ‘extra?’) they’ve kept on trucking and are coming up with new products that sound suspiciously like their earlier get rich Ponzie-like schemes that led to the sub-prime crisis.

There is a moral bankruptcy that pervades the centers of business, industry, and government. How else can one comprehend Wall Street bonuses sitting side by side with millions of Americans living in third world conditions? As we can see from Jeremy Graham’s paper in this issue health care in the USA is all about business and has very little to do about

the health and well-being of real working people. His article helps us understand why corporate America is opposed to healthcare for all—they have too much to lose.

The lack of a moral center to capitalism is part and parcel of the stability of the system. Crisis is in fact the norm. Crisis is that aspect of the capitalist economic system that makes transformation possible and that keeps workers in check. Crisis also balances the ledger books of capitalism and winnows away those enterprises that either cease to be efficient or, what is more often the case today, lack the political and economic connections to those in key positions in government.

The papers in this issue of *New Proposals* explore various aspects of crisis and market responses in our contemporary societies. Our authors confront the problems of crisis on real people through the movement of displaced people, the setting of health care prices, the trickle down effect and social equality, education, and the cause of food crises. While each author takes a slightly different vantage point, it is clear that crisis is the stable background against which one must struggle within our contemporary capitalist society.

The hope and despair that drives people to risk untold dangers is captured well in Hadas Yaron’s paper on African refugees seeking asylum in Israel. It is a story of contradiction and irony in which those escaping the genocide of places like Darfur find themselves subjected to a new racialized hierarchy within the heart of a state that was itself formed in an act of

escape from genocide. It is a well-worn critical path that highlights that tragic irony of the Israeli oppression and subjugation of the Palestinian people. Yaron's paper turns away from that path to explore instead Israel's connection to Africa as encapsulated by how the Israeli state records and documents and controls 21st century escapees of an African holocaust.

In "Julius Nyerere, an African Philosopher," authors Thenjiwa Major and Thalia Mulvihill explore the importance of Nyerere's educational philosophy of self-reliance. According to the authors, Nyerere's anticolonialism and his notion of African Socialism could have had an important role in recreating post-colonial Africa. However, the incorporation of the new political elites within the global capitalist system undermined Nyerere's ability to build an African Socialist society. All this being said, the authors still find promise for an educational approach inspired by Nyerere's philosophy.

As Jeremy Graham shows us in his paper on medical pricing in the USA improving health care is not simply a matter of improving access or availability of care. The American medical system is tightly entwined within the market economy in which 'products' are designed to be sold to employers rather than addressing the health needs of the general public. If President Obama's health care reforms are to be truly effective they will need to take the market out of medicine.

In the face of crises of production and distribution Micheal O'Flynn's discussion of the Malthusian model of crisis is timely. It is a common feature of mainstream market-oriented ideologies to place the blame onto the backs of the victims. Food crisis? Blame the hungry; there are too many of them. But,

as O'Flynn shows, the problem doesn't lie with too many people. Drawing from Marx's classic critique of Malthus, O'Flynn clearly shows us that these crises are in fact crises of production, not population. Food insecurity is really a problem of the wealthy protecting their own bloated interests.

Mainstream pundits often claim that business left to its own devices will benefit all. Yet, the old aphorism that what's good for GM is good for America should by now leave a foul taste in the pundit's mouth. At the moment when government and business leaders and pundits alike are beginning to pronounce an economic revival, Kanchan Sarkar's critique of the trickle down effect is particularly relevant. Using India as a case study Sarkar shows us that market mechanisms by themselves do not improve the social conditions of the majority. Rather, in the absence of strong government interventions social inequality increases when the economy is growing.

Crisis gives certainty and resilience to the capitalist system in general even while particular players within it may loose out. This is a good thing for the few who benefit from the capitalist system, but not for the rest of us. In this context advocating and building programs and policies that reduce the likelihood of crisis will actually contribute to the end of capitalism as a social system. This realization lies behind many of the neo-liberal/conservative attempts to de-regulate the economy and to transfer government services such as health care and education to the private sector—thereby increasing the likelihood of crisis. It's time that those of us interested in a humane society make the same realization and take action accordingly.