

## Krugman's 'Big Zero'

By Jim McHugh

In his *New York Times* column for December 28, Paul Krugman described the shocking lack of economic progress made during the past 10 years. Among other things, he noted that “private-sector employment has actually declined—the first decade on record in which that has happened.”

This in itself seems like an important subject for his consideration but he adds nothing to flesh this issue out. However, he does mention the dot-com stock bubble and the housing bubble that followed it. In prior columns, Krugman has noted that similar “bubbles” fed the last two economic expansions because they provided more income for consumers.

In this column, however, he lamented that we, “as a nation were unwilling to learn from our mistakes,” and he cites as an example that “even as the dot-com bubble deflated credulous bankers and investors began inflating a new bubble in housing.” He also criticizes the use of “creative accounting” and investors purchasing financial instruments they didn’t understand.

His current concern is that for all the failure of tax cuts and deregulation as economic stimuli, many in Congress are campaigning for a continuation of this prescription as the basis for economic recovery. He faults the Republicans primarily in this regard.

There seem to be some important omissions in Mr. Krugman’s analysis. First, he doesn’t explain what would have happen to the economy if the increased income produced by the bubbles had not materialized. Without the increased income, doesn’t it seem that the expansions would not have taken place, and that the current “Great Recession” would have simply occurred earlier? If the housing industry needed the stimulus created by over-leveraged financing, wasn’t it already in a depressed state? Likewise, if “flipping” houses created the income to fuel consumer spending, wasn’t the larger economy already in a depressed state?

Second, don’t the always-increasing levels of manufacturing efficiency give capitalism an ever increasing ability to flood markets, thus creating downward pressure on prices and profits, help explain the system’s increased desperation to find other commercially exploitable opportunities even if some of them are unscrupulous if not illegal? In other words, if capitalism is having increased difficulty making money by manufacturing and selling goods, why is it a surprise that it would become more dependent on the financial sector for its profiteering?

# HAITI’S EARTHQUAKE

## Centuries of Imperialist Exploitation Compound Deaths and Devastation

By Bernard Bortnick

The devastating temblor that ripped through Haiti and its most populous urban center, Port-Au-Prince, on January 12, measuring 7.0 magnitude has killed and maimed unknown tens of thousands, possibly over one hundred thousand, and left a population already in utter destitution barely clinging to life. The culpability for this horror rests entirely with the capitalist system for indeed it, through centuries of plunder and intervention, set the course of a dilapidated economic framework and that has for centuries led to the ruin the Caribbean island.

The bourgeoisie has fled the island while those vast numbers remaining are none other than the impoverished descendants of the first successful slave rebellion in the Americas, and the first nation on the planet to have emerged from a successful slave rebellion. In 1793 under the leadership of Toussaint l’Ouverture and subsequently Jean Jacques Dessalines, Haiti emerged as an independent nation.

With an emancipatory orientation, in 1817, the new nation provided Simon Bolivar with arms financial resources and troops stipulating that he free any slaves his armies encountered. Subsequently, Bolivar is said to have freed the slaves of Columbia, Peru, Venezuela, Ecuador, and Panama. Whether this “freedom” was conditional to the same strictures stipulated under the new Haitian regime under the dictator Jean-Pierre Boyer is probable for in order to maintain the plantation system and continue to produce sugar, coffee, tobacco and indigo, a virtual feudalism was imposed in which nominally free peasants were severely tied to plantation overseers.

A time line of significant events reads like this:

- In 1824, Jean-Pierre Boyer, fourth president of Haiti, negotiates with the U.S. to resettle 6,000 freed American slaves, though the conditions of poverty caused most to return.

- In 1825, under the threat of military action Haiti pays an indemnity to France of 150 million francs for the loss of slaves paying in money that which had already been paid in the blood of slaves.

- In 1843, Boyer is ousted in a coup leading to years of military coups, 32 in its 200-year history involving foreign meddling in behalf of various plundering capitalist interests including immigrant German, American, French and British and Syrian interests.

- In 1888, U.S. Marines supported a military coup and in 1892 Germany suppressed the reform movement of Anténor Firmin.

- In 1914, British, German and U.S. forces descend on Haiti, ostensibly to “protect” its looting gangsters from civil unrest.

- From 1915 to 1934, the U.S. occupies Haiti and is resisted by the “cacos” rebellion, in which over 3,000 insurrectionists are killed. After the constitutional system is scrapped, the Haitian National Guard is established to maintain order, and new roads are built (no doubt to speed armed suppression of unrest).

- In 1937, with U.S. acquiescence, Dominican Republic dictator Rafael Trujillo initiates the Parsley massacre, killing 10,000–20,000 Haitians living in the border area, after which he initiates a program of racial discrimination targeting black Haitians.

- 1957 to 1986 saw the rise of the Duvalier dictator, “Papa Doc” initially and then “Baby Doc”. In order to make the country safe for U.S. investments the brutal “Tonton Macoutes” was established to make sure things didn’t get out of hand. During the period of the 70’s the U.S. sought to establish assembly plants for American manufacturers.

- 1980’s a decade of more U.S. military aid to the Duvalier regime

- 1986 Duvalier with U.S. aid Duvalier and family were exiled to France.

- 1987 new elections were aborted in Haiti with the murder of untold scores by the army and Tonton Macoute.

- 1990 saw the rise of the priest Jean-Bertrand Aristide who was in and out of office and finally with the assistance of the U.S. ended his term in 1996 after disbanding the army and establishing a civilian police force.

- 1996, Rene Preval was elected.

- 2000, Jean-Bertrand Aristide re-elected and then ousted in a paramilitary coup for a second time.

- 2004, Boniface Alexandre assumed authority subsequently succeeded by Rene Preval who narrowly missed death in the earthquake.

This “bill of goods” leaves no doubt that the primary focus and interest in Haiti is the wealth that could be extracted from its impoverished working class. Only the barest minimum of amenities or expenditures have been afforded the masses of Haitians either in terms of housing, shelter, food or clothing and it is evident that the rulers have criminally ignored the dangers

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The Workers' Bookshelf—

## 'Intelligent Design': A Marxist Critique

A Critique of *Intelligent Design*, by John Bellamy Foster, Brett Clark and Richard York (Monthly Review Press, 2008)

By Charles Bateman

This 200-page book is a great look at the historical struggle between materialism and creationism. The authors go all the way back to the ancient Greeks and Epicurus to show the roots of materialist thinking. They compare this to the creationism of Plato, Socrates and Aristotle. They then show the battles through history between these two conflicting ideas.

The authors point out that, in modern times, creationists attacked three main figures: Marx, Darwin and Freud. For Marxists, there's an especially good chapter that shows Marx never attacked creationism, per se, but worked to have workers think on a material level. This is good because it shows Marx wanted to change the context of the debate.

The chapter on Darwin shows how meticulous he was in documenting his findings. He always referred his ideas back to his material findings. This points up the empty mysticism of the other side. The authors look at specific cases through modern history, like the Dover, Pennsylvania School Board trial and the Scopes "monkey" trial that show creationism is basically a whim.

The chapter on Freud is a little more problematic. His ideas were partially founded on good material science, but he also accepted a lot of social myths. He believed certain kinds of consciousness were passed down through the generations. He also had a very paternalistic attitude toward women.

The book does a good job of giving the case for materialism. Certainly Marx's ideas of "historical specificity" make one wonder when people in our generation will change their thinking.



Interesting Issue—

I was very interested in Frank M. Richards' comments on the SPGB [Winter 2009–2010]. That's the great thing about the SLP—we have so many knowledgeable members who can inform the rest of us. I must confess I still take the *Socialist Standard*, mostly for the book reviews. In 2006, on the 300th anniversary of Adam Smith's birth, they did have some good observations. Adam Smith, David Ricardo, Ben Franklin, and John Stuart Mill *all* recognized that it was the labor in an object that gave it value. It took Marx to fully develop the idea.

I eagerly read Jim McHugh's "Everything's for Sale." I believe there may

have been a misprint. In the article, he said our bases and troops are *not* in the Middle East because of the oil or natural resources. That's exactly why they're there, along with bullying other nations into seeing us as the "top dog" in the area. Chalmers Johnson did a great job of examining this in *The Sorrows of Empire: Militarism, Secrecy and the End of the Republic*, and *Nemesis: The Last Days of the American Republic*. Even Alan Greenspan admits we're there for the resources. We're also trying to send a message to Russia, China, India and everyone else that we run the Middle East.

Charles Bateman

SLP Publishing—

I am writing to express my joy at the fact that the SLP can keep on publishing. . . . It is like a breath of fresh air amidst the pollution being put out by the capitalist controlled "news" media. "Now that Washington and Wall Street are one" (I am quoting someone else). "We are subjected to "lies, damned lies, and statistics" (also quoting). I thought the last statement was made by some American, but was surprised to find it was an Englishman, who earlier surmised the facetiousness [sic] of such a system.

There are some, non-socialists, who see the weakness (inherent) in the capitalist system and predict its eventual, and maybe soon forthcoming failure, but do not have any idea about what system will take its place. This is almost as frustrating to me as those who believe the capitalist system of economics is the only such system.

People in the USA also believe they are governed by two party system. There is only one party, some call themselves Democrats and the others Republicans, and worse yet, "Independents." One group passes laws that burden and destroy the working class which the other group calls socialism. Nowhere in the "news" media can someone find the truth about socialism. I find myself running into "a brick wall" when I attempt to tell people what the main tenets of socialism are. This is especially so when I talk to a friend who lived most of his life (approx. 40 yrs.) in Poland when it was in the USSR. I believe I will, for the present, restrict myself to pointing out the failures of the present system, which should be more than obvious to most people. If this "difficult economic time" passes, there will be, and again I am expounding ideas which non-socialists have written, the will be another, much more severe "recession" and most likely the end of the capitalist system. I am 72 years old and hope that I am not around to say to someone: "I told you so." If I were, I would not take any satisfaction in the complete, devastating chaos that would ensue. It would make the rescue effort in Haiti look like a "Sunday School Picnic" in comparison. I believe this because (again from my reading of non-socialist writers), that no system can replace it. Other systems, including so-

cialism, required certain conditions to be in place in order to effect such a change. One would be an abundance of resources which did exist when socialism was propounded. The capitalist system has depleted the world of everything that cannot be replaced. In order to make capitalism survive the system requires that the largest amount of profit be made in the shortest possible time. No consideration is given to anything else, including the environment, i.e., the planet as a whole. This has caused irreversible changes that all of the concern about "carbon footprints" and "green technology," global warming, etc., can correct. I sincerely hope that this condition not exist or will not exist in the near future.

Bruce Gard

## Haiti...

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The once verdant landscape has been largely denuded as a result of the desperate seeking cooking fuel.

In retrospect, seismic disaster is not far off from any number of U.S. cities that are ill fortified against shifting tectonic plates. Most of the buildings in Los Angeles and San Francisco are devoid of proper bracing. The codes are snubbed with impunity as owners try to maximize profits. Indeed, underlying the hand wringing and media feeding frenzy on the Haitian disaster, that is the name of the capitalist game.

The above proves that the quest for imperialist profits in the Caribbean trumps all consideration for human life.

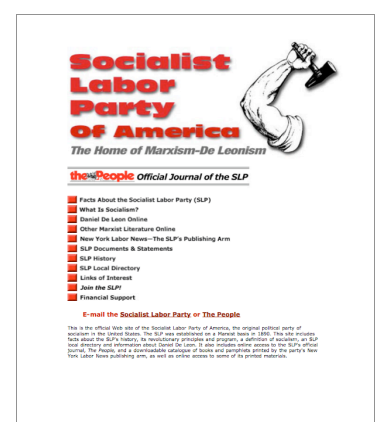
## Krugman...

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posed by underlying threats from shifting geological structures or for that matter the tremendous environmental degradation visited upon the country.

Finally, these developments, lower employment, recessions, financial bubbles, and political corruption are not particular to either of capitalism's major parties. These developments are a result of capitalism's natural workings, its inevitable and ongoing decline, and will last as long as the system is allowed to continue.

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