

A MEDIOCRE COMMUNIST UNIVERSITY WAS HAD.

The annual Communist University was held this week hosted by the CPGB. I attended seven sessions with about thirty participants in each session. My overall verdict was that with few exceptions, the introductions and contributions were well below the standard needed to make any impression on bourgeois ideology.

'Free speech: unrestricted or restricted?'

The first session was on Freedom of Speech with two speakers holding opposing views. The view of the CPGB was that *No Platforming* was prohibited because it was impossible to determine who was to be *No Platformed* and that it could be turned against the left. The invited speaker who spoke first maintained that *No Platforming*, provided it was enforced through direct action and not through appeals to the state or any other authority, had a good record on the left. The main argument was around whether or not fascist groups should be *No Platformed*.

The main example put out by the CPGB is the use of anti-Semitism to silence the left. It is clear that the use of the label of anti-Semite is a state directed project to no platform international supporters of the Palestinian cause at a time when support for the Zionist State of Israel is ebbing. It emanates from a point of weakness not strength. But to use this as an example of why *No Platforming* should be avoided is farcical. Because our enemies use it does not mean we must not.

Freedom of speech is a tactic. A picket line is an example of striking workers denying a platform to scabs. Should a picket line allow scabs the facility to argue why they should be allowed to break the strike or to justify scabbing. No union member would tolerate that for a second. Or should we allow fascists to meet so they can organise a pogrom against a local community. Of course not. Both would represent the betrayal of our class and a lamentable understanding of what constitutes struggle.

But like Jesus who declares at the moment of his death: "*Father, forgive them; for they know not what they do*" the CPGB assumes that *No Platforming* denies us the ability to convince wavering fascists that they do not know what they do, in other words that they are unwitting Numpkins being used by the ruling class. *No Platforming* does not preclude an ideological struggle against fascism, rather it is used primarily to disrupt their ability to organise and spread their ideas.

The preferred mode of exploiting the working class by capital is rule by consent whose cornerstone is free elections. Integral to this is the right to free speech, communication, and assembly within limits. Capitalists are aware of the advantage of rule by consent because it raises productivity, enables intellectual intercourse, and accelerates scientific endeavor. Forced labour is not the friend to profitable production.

But it does come at a cost. In the event of a flare up in the class struggle the rule of law ties the hands of the capitalist class and inhibits its responses. The state can't simply lock up protestors or strikers and throw away the keys. There has to be due process and the police have to account for their actions. All this trips up the capitalist response. Included here is the freedom of speech. This is at the heart of the capitalists' dilemma. Should they continue to allow it, ensuring that it can be used to spread disaffection and provide the medium for organizing, or should they suppress it?

Of course in the end this is resolved with a state of emergency where the rule of law is swept aside, and freedom of speech is suppressed. Thus freedom of speech to the capitalists is seen as a tactic, useful when

class divisions are dormant, threatening when class divisions come to the fore. Similarly with a workers' state. Freedom of speech would be allowed but not to those seeking to foment counter-revolution and a return to capitalist private property.

In today's class struggle we defend free speech because it strengthens the hand of the worker and weakens the hand of the capitalist. In the realm of political discussion, we encourage free speech and the right to disagree until experience provides the answer. This is particularly important in political organisations such as United Fronts where the bureaucracy has always attempted to curb discussion and criticism under the pretext of maintaining unity, that is unity on their terms.

Capitalism as robbery: Time and revolution.

This was the second session I attended, which really was a waste of time, despite the speaker's memorable summary of E.P. Thomson's description of how time is reduced to a regulatory metronome by capitalism. The introduction and discussion focused on natural time, natural rhythms and associated biological rhythms, the kind of discussion to be found in a peasant party at the heart of an agrarian society. What should have been discussed was how the early communist society frees time which has been kidnapped by capitalists in pursuit of profit and cost cutting. The speaker and the audience however would not allow this discussion over time to be extended into a discussion about how time is used in a communist economy. Instead we were offered titbits about socialism, namely that a communist society which is based on serving need, need not occupy itself with something as mundane as measuring time in order to arrive at objective costs of production. But nothing could be further from the truth. Workers' control of production is all about time, it will be a time when workers for the first-time command time by agreeing collectively the intensity or rate of production. In the USSR workers were the victim of time when planners set targets that forced the pace of production. Nor can we reward skill fairly unless we have a system which compiles economic hours rather than physical hours. Nor can we even out productivity between workers resulting from their use of differing quantities and qualities of means of production unless we apply the **weighted** average labour times needed to produce any item. Nor can we balance the production side with the consumption side unless both are measured by universal labour time. The discussion showed how unfit the CPGB is to lead any historically meaningful class struggle when they ignore the complexities that necessarily befalls a mode of production based on collective property, a society which represents a higher form of organisation than capitalism and which needs to overcome the legacy of capitalism.

Do machines create value?

This was a better discussion. The introduction was thought provoking. Clearly a time will come, not only when machines largely take over production but also assemble each other. But already the presence of large-scale machinery has been the material basis for the rise of vulgar economics. In Adam Smith and David Ricardo's time, even Marx and Engel's time, it was clear that the production process was a labour process. But by the 20th century this was no longer so clear because of the dependency of labour on machinery.

This was the flaw in this session. It did not explain why profit falls to the owner of the machine, the capitalist, not its user, the worker, despite the fact that were the capitalist to try and use the machine they would break it, lose a hand, or both. It focused too much on how machinery was becoming more human like and not enough on property relations which is at the heart of the matter, and which is essential to explain to workers why it is the capitalists and not the workers who benefit from investment. For

example the fairy tale that once upon a time in a faraway land called Britain, there were the savers and the spenders. The savers saved and invested their pennies while the spenders drank away their pennies. The savers became the capitalist class and the spenders the working class, and that therefore the capitalists are entitled to profit from their investments. Without challenging this view, the growth of machine learning, industrial robots and the internet of things only confuses things and increases the feeling of alienation.

'Do machines create communism? The political economy of accelerationism, AI, robots, and the working class?'

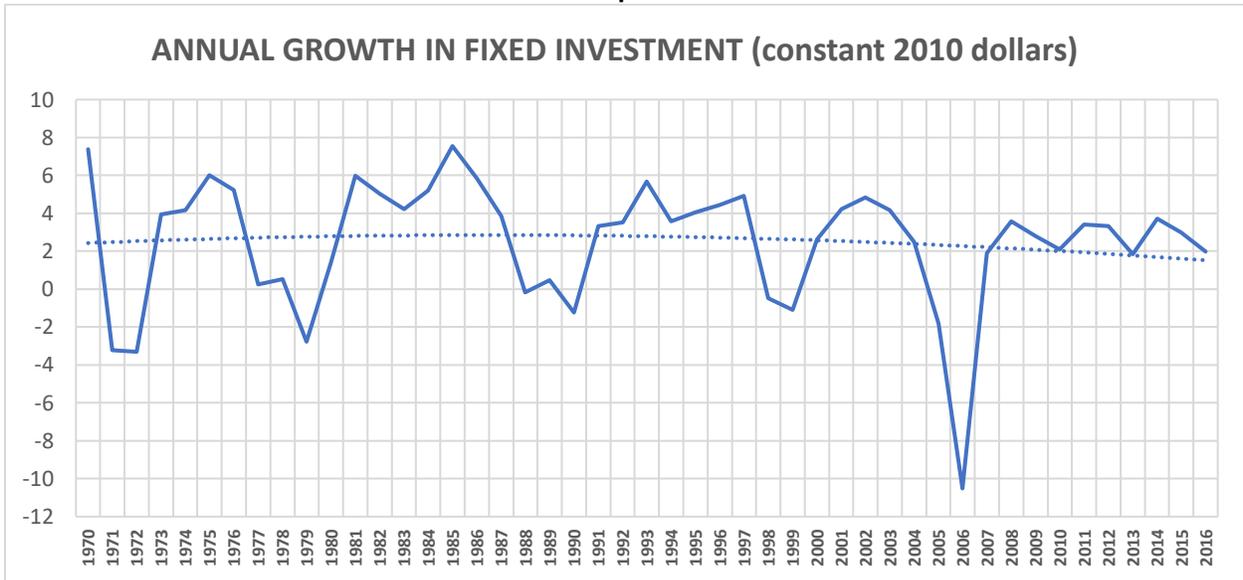
The speaker was competent as this was her field. Many insights into developments and their impact on workers were presented. However, once again the discussion was one sided. We are undoubtedly entering what is called the fourth industrial revolution based on machine learning and the internet of things or connected and monitored machinery. But the primary concern for Marxists is its impact on the rate of profit. Machine learning, in so far as it is pruning unproductive clerical workers, adds to the mass of profit because the wages of unproductive workers is a deduction from profits which is why it appears in the Profit and Loss Account and not in the Trading Statement where input costs, manufacturing costs and revenue is found. The latter is the realm of the productive worker who produces new value on top of the value passed on and which in total forms the firm's revenue after the adjustment for inventories.

In Chapter 15 of Volume 3, Marx in the section on "Supplementary Remarks" makes two essential observations. Firstly that capitalists invest voluntarily rather than defensively, only if that investment yields a higher rate of profit, that is to say the additional profits expected exceeds the additional capital to be invested. But he goes on to say something more interesting earlier on when he looks at the great scheme of things capital. He describes the contradiction between the rise in surplus labour time at the expense of the fall in total labour time. In other words the capitalists are getting a larger slice of the cake, but the cake itself is now shrinking, which means that the slices have to get proportionately bigger each time to offset the shrinkage in the cake itself. In short, the fall in total labour time begins to overwhelm the division of that labour time into its paid and unpaid parts. (Page 373 Penguin Edition of Das Kapital.)

Thus immanent in the labour theory of value as it bears down on the rate of profit is the possibility that movements in total labour time will become dominant and that its absolute fall will at the very least cap the rate of profit. We could be at that stage. Since 2013/4 global rates of profit have been subsiding year on year and more rapidly in recent years. In 2019 they were 40% below their previous peaks and this shows up in the graphs below which plots the annual change in investment which responds to profitability. Graph 1 is the global figure which includes China which has been the dominant influence on global rates of fixed investment. It is overstated because since 2012, Research and Development as well as in-house software, formally recognised as a cost have been recast as capital investment. Without this revision, the rate of fixed investment would be lower.

In other words there has not been an upward trend in investment expected from this so called fourth industrial revolution, but the opposite, a falling trend.

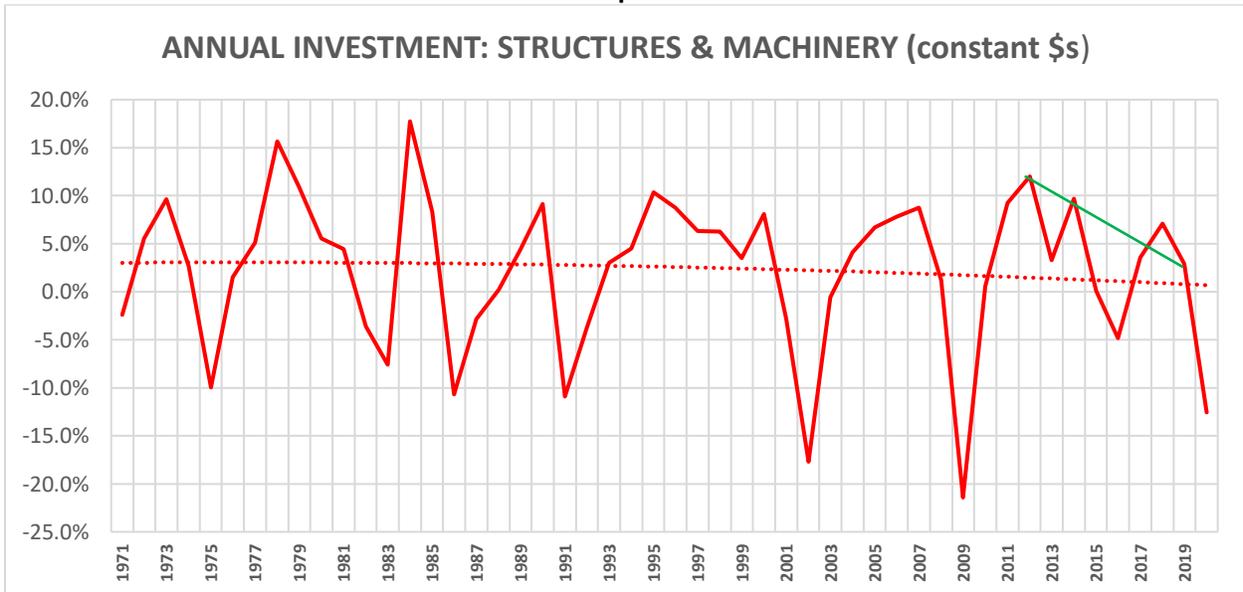
Graph 1.



(Source: World Bank, <https://data.worldbank.org/indicator/NE.GDI.FTOT.KD.ZG>)

To compensate for the growth in Intellectual Property investment, the graph below examines only the growth in structures and machinery/equipment. It applies to Non-financial Corporations in the USA. It shows the same reduction in trend, this time approaching zero growth. Thus, despite the technological spurt provided by the 4th industrial revolution, there has been no corresponding spurt in overall investment as capitalism retools or resoftwares. This is consistent with the fall in the rate of profit over the previous 7 years.

Graph 2.



Clearly something is amiss, and it could very well turn out to result from the collapse in the overall global expenditure of productive labour time rather than issues of finance (2008). Only an examination of global employment levels in productive industries can give a definitive answer, but such a conclusion is a likely one.

There is an additional perspective. The development of capitalist production is associated with an increase in intellectual labour compared to physical labour. As this intellectual labour is increasingly concentrated in companies producing software which is sold or licensed to industries where manual labour predominates, the culling of manual labour there means that while the value of inputs increases, the value of their output decreases stressing profit margins. Thus in every respect the time may be coming where capitalism can no longer develop the forces of production because of its impact on total labour time and consequently on the rate of profit.

'Marx's so-called transformation problem in Capital'

This was introduced by Michael Roberts, one of the most capable theoreticians I know. But on this point we disagree 179%. Michael spoke approvingly of the solution to the transformation problem found in Fred Mosely's book "Money and Totality". Fred finds no problem because simply put, Volumes 1 & 2 elaborates on the production of surplus value while Volume 3 describes its distribution. So as the cake has already been baked and priced, all that is needed, is to examine how it is sliced up and divided between the capitalists. Michael then went on to describe the Temporal solution to transformation problem which is allied to this pre-pricing and compounds its problems.

I consider both these explanations deeply flawed. Firstly the problem Marx was dealing with, was not the distribution of the total surplus value, but the historical movement from market prices determined by market value to market prices being determined by prices of production as capitalism evolves into a higher stage of production. (Marx makes this painfully clear in Chapter 10 of Volume 3.) So the transformation problem boils down to the movement from market values to prices of production. The assumption that total market values equal total prices of production does not translate into market values equaling market prices at an industry level or sectorial level. This being so it is not simply a question of distributing total surplus value because this distribution would have its suspension broken by bumps and dips in the road created by localized variations in values and prices.

The same applies to the temporal solution. The criticism of Marx's tables in Chapter 9 is that while his inputs are measured by values, his outputs are priced. This incongruity has plagued those who have sought to defend those tables. But the temporal system is plagued by the same incongruity. Its starting point, Period 0 is already priced. But how can that be so? Is Period 0 set in a time when commodities circulate as products of capital at prices determined by the distribution of profit or is Period 0 set in a time when commodities circulate as products of labour with prices determined by market values.

If Period 0 is taken as already beginning with prices being determined by prices of production rather than values of production, then it is a cop out, because it avoids explaining how values were transformed into prices in the first place. Thus that which is needed to be explained is avoided. Most unsatisfactory, and it will be picked up by the critics of Marx. In my contribution which Michael acknowledged due to the amount of correspondence between us, that incongruity is addressed head on, and a solution is provided consistent with Marx's methodology. <https://theplanningmotivedotcom.files.wordpress.com/2020/09/resolving-the-transformation-problem-2.pdf>

'Was the collapse of 'really existing socialism' inevitable?'

Hillel Ticktin who gave the address did not like the title while I did not like the session at all. It was more about keening than analysis. If only this or that had happened things would be different; if only factions had not been banned in 1921, if only Trotsky as head of the Red Army had assumed power in 1923 rather than Stalin, the world would be a different place, possibly better. But the world is as we find it and it is this world that needs to be explained and accounted for. Mr. Ticktin was quite right to assert socialism never existed in the USSR and he gave a very personal and touching account of conditions in the USSR. To his credit, Mr. Ticktin in his day, was one of the few theorists giving an actual account of conditions in the USSR.

Any statements dissociating ourselves from the USSR and denouncing it is insufficient. As capitalism crumbles, as it loses legitimacy, as the ideological struggle intensifies, the USSR will be used to warn against abandoning the market which has provided such material wealth. The argument will focus on the theme that there is no alternative to the

market and that we are therefore stuck with capitalism, and it is unlikely to focus on the question of workers oppression in the USSR because the democratic situation here will itself be fraught. That being so, we need to counter by explaining why the USSR could not be dynamic, why it couldn't replace the profit motive, why it couldn't adopt financial planning rather than material planning, why in the end it had to collapse. We need to explain the nature of this peculiar and unnecessary mode of production rather than focusing on the political superstructure that flowed from it.

'China: the unexpected political economy'

In contradistinction to the session on Russia, this was an informative, knowledgeable and enjoyable session. Alan Hudson, because of his senior position at a leading UK university has had decades of interaction with the Chinese at all levels including senior Communist Party officials. As Marx said, to develop theory requires mining empirical data. Alan exemplified this rich empirical tradition which has led him to conclude that China is "a Capitalist Society with Chinese Characteristics". This marks him apart from those many lazy dogmatists on the left who conclude that China is not a capitalist society but something else or in between, because they have not devoted the time and energy to study the developments within China in real time. Honestly, they embarrass Marxism.

He described an increasingly confident and outward looking CCP. He also described their cynical adaption of Marxist texts for their own purposes, and he described the large-scale distrust of the CCP by the urban Chinese population, despite the recent enormous economic achievements of Chinese Society which has elevated China to the front of the historical stage. Unfortunately there was insufficient time to thoroughly discuss the growing hegemonic economic war between the USA and China and evaluate the balance of forces both quantitatively and qualitatively. What is important to note is that China's capitalist development has passed through three phases. The first phase was contract manufacturing for foreign firms where the CCP acted as a gang master on an epic scale. The second was the hybrid manufacturing stage when China became the workshop to the world by exploiting the international division of labour in the form of foreign technology and parts. This is exemplified by China's first airliner which depends on advanced foreign components and technology such as engines and avionics. The third phase which China is on the cusp of, is technological independence, where China is no longer dependent on foreign Intellectual Property and equipment for strategic parts of its economy. It is this development which has fostered the economic war between China and the USA as the USA seeks to preserve its technological supremacy in High Tech and key areas of engineering.

Conclusion.

China was the final session. Unfortunately events in Afghanistan seems to have caught the CPGB as unawares as it did the USA and Britain, because there was no session devoted to discussing it. Afghanistan was not so much a defeat for US imperialism as a humiliation because the Taliban captured the country in less time than it took the USA to drive them from power 20 years ago. Under the cover of "war weariness" in the USA (they should familiarize themselves with conditions in Afghanistan after 40 years of constant war and invasion) the US establishment recognizes it has to focus its degraded capacity on China alone. The scramble out of Afghanistan, and yes deals were struck in dark rooms, had only one cause, China. This should temper out celebration that the final occupying forces in Afghanistan have been thrown out.

What the CPGB University has shown is the need to create a more comprehensive and broader mechanism for the interchange of communist ideas and theory. *Historical Materialism* does not fit the bill because it is filled with Academic dross while the SWP's Marxism is contaminated by dogma including some of the most consequential revisions of Marxist Theory. The call must go out for an International Communist University and an internationally recognised Journal to centralize and disperse developments in Marxian theory and practice.

Brian Green, 22 August 2021.