

# **SOCIALIST**

*Perspectives 13*

Parti Sosialis Malaysia

# **Malaysia Baru?**



**Parti Sosialis Malaysia**



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## **Socialist Perspectives**

**13**

Parsosma Enterprise

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# Foreword

WE are in a very challenging period – the coalition government that held power since Independence in 1957 has been displaced by another coalition, the Pakatan Harapan whose members are still a little uneasy with each other. UMNO, the kingpin of the former government has teamed up with PAS (the Islamic party) to intensify its portrayal of Pakatan Harapan as inimical to Malay “interests” and to Islam. To an extent this ethnic based politicking is succeeding, and there is a small but perceptible shift of the Malay population away from the Pakatan Harapan (PH), and a real possibility that the PH might just be a one-term wonder! (Some suspect that some senior leaders of the PH would be quite comfortable with that outcome!)

Meanwhile, the international situation is grim. The world is lurching towards another economic recession with Trump’s trade wars aggravating the under-consumption created by the obscene maldistribution of global income. Climate change is being talked about, but the actions taken aren’t nearly enough to arrest global warming. In many parts of the world right wing ethnocentric populism is gaining in strength. The US’s sabre-rattling in the Gulf has the ever-present danger of sparking off military conflict with Iran.

Against this backdrop, the PSM has been debating how best to go forward as a small independent left party within a first-past – the-post electoral system that favours the big coalitions, as even voters who like the PSM and its positions would not want to “waste” their vote on PSM candidates as that might increase the chance that the coalition they dislike/fear winning. The PSM needs to be big enough to provide a nation-wide alternative if we wish to win seats – but that’s a long way to grow! So, how do we build a third coalition that is multi-ethnic, anti-neoliberal, community based and incorruptible despite being marginalized in the current political system?

The PSM needs to mobilise people around a new narrative for the country – one that rejects ethnic posturing, fosters celebration of our cultural diversity, stresses empowerment of ordinary people, is serious about arresting global warming, that looks beyond the neoliberal consensus and questions why the global elite have so much wealth stashed up in their overseas accounts. Too big a task for a small party? Well, whoever said building socialism would be easy?

The articles that follow chronicle some of the work that the PSM has been doing these past six months – in communities facing eviction, with sectors facing problems and on national issues such as shortage of housing for ordinary Malaysian, local council elections, health care, persistent rural poverty and measures to overcome it.

But we really need more hands on board – for there is much to be done! There are many ways you can help even without becoming a member – attend our forums and conferences, help us spread our analyses, join the coalitions we are building on labour, health care, affordable housing, climate change, help us fund-raise, join one of our think-tanks etc. Of course, if you are ready, become a PSM member and help us chart the way forward.

Rosa Luxemburg said it succinctly 100 years ago – the choice ahead for mankind is either socialism or barbarism. At present it looks as though the second is the more likely outcome given the current trajectory of humankind and weakened state of the Left. But still, we collectively, can make a difference! Let’s give it our best effort!

***The Editors***

July 2019



# Global Biological Holocaust

## Now is the time to act

THE text from a recent United Nations (UN) report has a title that buries its serious message: *Summary for policymakers of the global assessment report on biodiversity and ecosystem services*. The *Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services* published this report on 6 May. The text is the fruit of 145 experts from 50 countries, with input from another 310 researchers and authors. It draws on a reading of over 15,000 scientific and governmental sources and it incorporates the wisdom of indigenous knowledge. It is a summary, which will be elaborated later this year into a 1500-page final report. The weight of the scientific community sits at its heart. The most important finding of the report is this: **1 million animal and plant species are now threatened with extinction, many within decades.**

The rate of global species extinction is tens of hundreds of times faster now than it was over the last ten million years. It is an impossible report to read, *planeticide* is almost guaranteed: 75% of the terrestrial environment “severely altered”, 680 vertebrate species driven to extinction since the 16th century, more than 40% of amphibian species, almost 33% of reef-forming corals and

more than a third of marine mammals are on the edge of extinction. Two main reasons for this catastrophe are evident, and they are related: the “current limited paradigm of economic growth” and “climate change”. This UN report, like several previous ones, is measured in its language but not in its analysis. The phrase – *current limited paradigm of economic growth* – is a euphemism for capitalism, for a system of economic activity that is premised on private property and profit, on the accumulation of capital as the reason for existence. It is this “current limited paradigm of economic growth” – in other words, capitalism – that has developed through energy forms that exude immense amounts of greenhouse gases. Capitalism – reliant upon fossil fuel emissions to power its engines – is the main driver of global warming. What leads the planet to its demise is not “demography” (too many people on too small a planet), what was once known as the *population bomb*. Rather it is the “current limited paradigm of economic growth”, which produces global warming and a boundless appetite to turn our planet into commodities so that capital can accumulate and accumulate endlessly. Last August, six Finnish academics released their background paper for the

UN Global Sustainable Development Report, which will be released later this year. Their paper was for the chapter on *Transformation: The Economy*. The scientists, led by Paavo Järvensivu, argued that “the era of cheap energy is coming to an end”. Fossil fuel capitalism has run its course. All potential replacements for fossil fuels – the renewable sector – are far less energy efficient than carbon-based ones and they will be far more expensive. Massive changes are needed not only in the energy sector, but in the very design of our societies if we can move global net emissions to zero by 2050. “Market-based action will not suffice”, write the academics, “even with a high carbon price”. Capitalism, in other words, cannot solve the serious problem of extinction. We need to think about other ways to manage human life on the planet, with a keen eye to the inequities that shape consumption patterns and that shape waste. Not everyone lives at the same exorbitant standard, and not everyone has to be a recipient of the waste products generated by the wealthy. The proposals in the UN report are ambitious and are blind to the differential needs of the wealthy and the poor. For instance, it is necessary to propose lower total energy use for



people in the West, whose consumption of energy is far higher than that of the landless workers of the Global South. Transportation systems and housing systems need to be modelled so that there is more reliance upon public transport and co-housing. Current food distribution systems allow 33% of all food harvested to go to waste. Far better, therefore, to construct sustainable food systems that seek to place food security at its heart and that have a lower carbon footprint on the food supply chain. Money for all this is available even if hard to find: tens of trillions of dollars in tax havens, tens of billions of dollars in subsidies given to fossil fuel firms and agribusinesses that condemn the planet to annihilation. If this money could be assembled, it would be a sufficiently large fund to reconfigure energy, transport, housing and food systems. The UN report challenges orthodox economic thought – the science of capitalism. Rather than “abstract economic goals” – such as profit-maximisation – the focus of economic activity should be “life-improving and emissions-reducing”. “Economic activity will gain meaning not by achieving economic growth”, write the Finnish academics, “but by rebuilding infrastructure and practices towards a post-fossil fuel world with a radically smaller burden on natural eco-systems”. The new summary of the UN report, along this grain, notes that the transition would “entail a shift beyond standard economic indicators such as gross domestic product to include those able to capture more holistic, long-

term views of economics and quality of life”. Unable to give a name to all this, the reports suggest that the only human-led antidote to extinction is socialism. But to believe that a socialist approach could halt the annihilation of fossil fuel capitalism is not sufficient. Even if the objective conditions are there, the subjective possibility for the consolidation of socialism is not so apparent. The reservoirs of the Left’s power are low, the weaknesses apparent. The Left has to be built and built in a hurry. The über-wealthy believe that they can hide from the crisis. They are in search of citadels, novel ways to preserve their wealth into the era of catastrophe, frightened that their guards might turn their guns on them, dipping into the fantasy of building a robot army to protect them in their islands of prosperity. Europe builds its ‘wall’ along the Sahel, as the United States does so deep into Central America. Achille Mbembe calls the attempt to stop human beings from migration “para-genocide”, asking instead that we try to imagine “different ways of reorganising the world and redistributing the planet among all its inhabitants, humans and non-humans”. The Masters of War are spending more time provoking war in Iran and Venezuela, standing aside as Afghanistan continues to burn and as the Mediterranean Sea and the Sahara Desert continue to claim human lives. For them the para-genocide is an acceptable reality. They are unwilling to imagine a reorganised world. For them, any price is worth paying if they retain

their wealth – the murder of gentle people like Macli-ing Dulag in the Philippines in 1980, as he tried to defend his community from the Chico River Dam Project, the murder of thousands of others as they try to construct a socialist future. In 1964, Oodgeroo Noonuccal, a poet from Minjerribah (in the land known as Australia) wrote *We Are Going*. The poem, which gives this newsletter its title, observes the extinction of the world of the aboriginal people, their lands gone, their customs eroded. (The “bora ring” is a ceremonial space and the “corroboree” is a dance ceremony).

*We are the shadow-ghosts creeping back as the camp fires burn low.*

*We are nature and the past, all the old ways*

*Gone now and scattered.*

*The scrubs are gone, the hunting and the laughter.*

*The eagle is gone, the emu and the kangaroo are gone from this place.*

*The bora ring is gone.*

*The corroboree is gone.*

*And we are going.*

Unless we do something about it. Professor Sandra Díaz, who teaches in Argentina’s National University of Cordoba and is the co-chair of the IPBES report, said that although biodiversity and eco-diversity are “declining fast”, “we still have the means to ensure a sustainable future for people and the planet”. If we do something about it. Warmly,

Vijay Prashad  
Chief Editor of LeftWord Books (New Delhi) and Director of Tricontinental Institute for Social Research.

# We need to save our disappearing forests

MANY Ipoh folk like me take our mountains and forests for granted. We seldom stop to *stand and stare*, to take in the beauty of these majestic green sentinels that form the natural backdrop to our homes and city.

We paid for this nonchalance when during the Chinese New Year break this year, a huge ten hectare patch of forest was mysteriously shaved off Kledang Hill. Heavy machinery had been used to clear the hill slope, and oil palm seedlings planted. The swiftness with which all this happened was startling, but what was more shocking was that it had apparently escaped the notice of all the relevant enforcement bodies. When civil society demanded answers, the Perak state government and MB Incorporated, which owned part of the land, declared the clearing of the forest illegal and outside their knowledge. To date however, the culprit has not been brought to book despite police reports by the public.

Many other disturbing truths then began to emerge. Among others, we learnt with dismay that the state government itself had plans for a housing project on the Bukit Kledang hill slope even before this “illegal” clearing was done! Is Perak so desperately short of flat land that we need to fell a forest on a hill slope to



Protest outside the police station, Ipoh.

build houses? And housing for who – it definitely can’t be for the B40 who face an acute shortage of affordable housing! Under pressure from an indignant public, the state government gave the assurance that they were abandoning the housing project, and that the slope will be reforested and restored to its former status.

Then, about this time, a letter from the Ipoh Forestry Department awarding 400 hectares of forest in two forest reserves – Hutan Simpan Kledang Saiong and Hutan Simpan Bukit Kinta – to a newly set up RM2 company for a forest plantation project, was leaked to the public. Such development apparently is permitted in a degraded or secondary forest; so it would appear that the justification for allowing forest plantations in these two forest reserves was that the designated areas were degraded forest or “hutan

miskin”.

But images captured by a drone revealed pristine primary jungle!

We also found Orang Asli villages, some lying close to the areas earmarked for “development”, and several others further away. These communities were unaware of the plantation forest development plan despite there being a requirement to first consult and get the agreement of the Orang Asli communities in the project area before approval is granted. Plantation forest development in a forest entails the clear felling of trees and their removal, and the planting of a single crop, such as rubber or timber, which will considerably alter the ecosystem. Replacement of a natural forest with a single crop plantation would also have a major, life-altering impact on Orang Asli communities by destroying their food sources and foraging grounds, contami-

nating their water sources, and dispossessing them of their ancestral lands.

Apart from all these, is the failure to heed the declaration of Lembah Kinta, a 2000 sq km area spanning the districts of Kinta and Kampar as a National Geopark by the Perak government in October 2018. Sustainable development, preservation and conservation, protection and rehabilitation are key concepts associated with a geopark. However the destruction of the Kledang Hill forest, the government's earlier plans for a housing project on the hill slope and the plans to convert forest reserves into plantation forests in Bukit Kinta and Kledang Saiong forest reserves all clearly run counter to and undermine the geopark declaration.

May 2018 saw a new state government that has unfortunately continued the natural forest destruction legacy of its predecessor by signing away forest reserves for various kinds of "development". Indeed, according to Sahabat Alam Malaysia, the current Perak administration has in just its first six months up to November 2018 rescinded large areas of forest reserves in Bukit Tapah, Chikus (Hilir Perak), Sg Pinang (Manjung), Bubu (Larut Matang and Kuala Kangsar), and Bintang Hijau (Grik).

All these reflect how vulnerable our forests are, and the wildlife, fauna and flora therein – and inevitably, the Orang Asli whose lives are inextricably tied up with the health of our forest reserves. Although there



Logging camp.

are rules related to sustainable logging, replacement of forests converted for development, consultation with Orang Asli when planning development of forests, among others, it is clear that these do not guarantee the protection of our forests.

Our current legislation also has serious shortcomings. Classification as a forest reserve is no protection against logging or development, as the Chief Minister has the power to excise land from permanent reserved forests. How informed, environmentally conscious, impartial and forward thinking are our leaders to make sound decisions about our forests? How does one explain the government's decision that the unlogged pristine forests of Bukit Kinta merited conversion of land use?

State Governments often cite the need to exploit forests for timber as an important source of revenue for the state. But where is the balance between exploitation and preservation? And for how long do we continue to look to our primary forests for revenue now

that less than 16% of Malaysia's total land area is natural, unlogged forest? Isn't it time our forest policies tended towards preservation?

It is high time the Federal Government introduced a "forest grant" that is paid out to State Governments each year based on the acreage of unlogged forest in that State. And it is high time for society to play a bigger role and demand a bigger say if we want to preserve our forests for posterity. We need to press for the establishment of an independent watchdog committee with members from the public, environmental groups and the Orang Asli community, with the power to veto plans to further log our forests. The fate of our forests cannot be left in the hands of the government alone so long as our five-years-once vote, is taken as a mandate for all policies, and business interests outweigh other considerations.

Rani Rasiah  
Member of PSM Central Committee  
15 May 2019

## Sexual harassment and patriarchy

IT happens on your way going to or leaving school. You pass a stranger on a rather lonely lane. He smiles and then unzips his pants all of a sudden.

It happens on a bus trip. The man sitting beside you stares at you from head to toe. He gradually moves his body until his elbow touches your waist. The touches are off and on, so you feel hesitant to voice out.

It happens at the workplace. Your superior acts extremely “friendly” and likes to tell porn jokes. He touches your shoulder whenever he speaks to you. He loves to comment on the body shape of other women in front of you.

These are stories commonly shared among women. Believe me, 99% of women encounter situations stated above or a similar one at least once in a lifetime. When these are so “common”, we know that these are not isolated cases. Sadly, it is often the norm.

Given the low awareness of gender equality in our society, many people do not take complaints of sexual harassment seriously. The norm in



our society is to see women as sexual objects – our society is so used to advertisements using women's bodies to sell products. The way our media portrays women is problematic and it shape the false ideas on women.

Our society encourages people to gossip about body shapes and physical appearances of women. Women are treated as commodities that can be “sampled” if you want to. The popular media reaffirm the stereotyping; women are seen as

**“When I walk alone, I walk with all my senses on alert. I walk with aggression and hold a bag or something protectively against me, with my elbows ever-ready to shove someone in case they touch me. Do you know how stressful it is to walk like that, protecting yourself constantly, without letting your guard down? Do you realize how painful it is to think that you can’t enjoy a good walk alone for the fear of being touched by a creep?”**

– Sandhya Menon –



comparatively weak, irrational and sometimes incoherent.

All these false consciousness lead to a simplistic conclusion – women are second class citizens. This patriarchal idea gives birth to sexual harassment. Although sexual harassment can happen to both men and women, women are more likely to become victim as the result of the imbalance in social status.

Some people would argue that sexual harassment is related to physical attractiveness. That is why our society often points fingers at the clothes or physical appearance of the victim. The fact is that attraction to someone does not necessary leads to sexual harassment.

Sexual harassment does not occur in vacuum. We have to understand it in the context of patriarchy; it is not about the different views or behaviour towards relationships. It is an act of violation. It is a form of oppression. Sexual harassment is a manipulation of power.

The perpetrator is manipulative. Sexual harassment happens because the perpetrator wants to show his power over someone he consider inferior. Perpetrators may sexually harass randomly, but there are some who plan, test the bound-



aries and wait for suitable victims to emerge.

They will look for victim that they see as inferior. They will not consider the wish of their victims and often excuse themselves saying a “no” doesn’t really mean “no”.

The perpetrator is not necessary a stranger. In many of the cases, the perpetrator is someone who is known personally to the victim. And again, it is all about power dynamics between the perpetrator and the victim.

Sexual harassment not only happens to women but generally to people who are powerless; it is intersectional. The lower the class the victim belongs to, the more she/he experiences harassment. Marginalised racial and gender identity groups and people with disabilities are the most vulnerable.

To put an end to it, we need a better support system for the victims. Most of the time, sexual harassment is not reported due to our culture and to social stigma. Our society tends to blame the victim but tolerate the perpetrator. The burden of proof of sexual harassment falls on the shoulders of the victim; however, there are so many obstacles to evidence collecting.

In fact, the victim herself/himself feels so hesitant to speak up. Even though the perpetrator made them feel uncomfortable, they tend to stay in the state of denial. They do not want to be seen as creating problems as this might eventually lead to them losing a job.

When sexual harassment is reported, it is our responsibility to support the victim. More awareness on gender equality is required within organisations to free women from any form of violence. We need to smash the toxic patriarchal ideas that lead to victimization.

As long as our society is influenced by patriarchal ideas, sexual harassment will continue to haunt our workplaces, our public transport and our streets.

Soh Sook Hwa  
Honorary Treasurer, PSM

# MeToo and sexual harassment: A structural question

Paper presented in *Socialism 2018*, Kuala Lumpur, December 2018.

WORKPLACE sexual harassment is not just to do with the “mindset” of men, it is to do with the structure of society. In Marxist terms, we would say that sexual harassment and gender oppression are not superstructural alone, they have a strong structural dimension. This becomes very clear when we see how sexual harassment is used as a tool to discipline women workers in the modern globalised workplace – and is likewise deployed to maintain a feudal caste-gender supremacy of upper caste landlords over Dalit women agrarian labourers in rural India.

Struggles against sexual harassment and rape were an important aspect of the CPI(ML) movement in rural Bihar in the 1980s and 1990s. Kalpana Wilson<sup>1</sup> notes (Kalpana Wilson, “Patterns of accumulation and struggles of rural labour: Some aspects of agrarian change in Central Bihar”, *Journal of Peasant Studies*, 26:2-3, 316-354, 1999):

“The most striking aspect of the movement is that it enabled the Dalit poor and landless to challenge the practices which underpin the social and economic authority of both the older and the more recently



Women's march in India.

emerged dominant classes throughout central Bihar. These are forms of oppression based on caste and gender as much as class. Thus dalit women frequently explain that the men from higher caste landowning families used to sexually harass and abuse them, physically assault them if they missed a day's work, or refuse to allow them to take breaks to drink water telling them to drink the water in the drainage canals, but now they no longer 'dare' do these things. ...this primarily reflects a perception among all classes and castes that there has been a shift in the balance of forces in those villages where the CPI(ML) has a presence, rather than a change in the mentality of the landowners.”

Wilson described how “Women have also led marches of thousands to physically occupy land for redistribution,

and have been at the forefront of resistance and protest against the repression unleashed by the landowners and the police.” She notes that,

“Because of the movement's focus on rape and sexual harassment by upper castes, they (the women) perceived these struggles as primarily struggles for their own dignity. At the same time, these women's involvement has led to their challenging oppressive domestic relations – particularly domestic violence, cases of abandonment of women by husbands, and the increasing incidence of dowry among Dalit families.”

In her article on the struggles of the Dalit agrarian landless labourers and the Bathani Tola massacre<sup>2</sup>, Bela Bhatia<sup>3</sup> likewise observed that “... many prominent upper caste men have been involved in raping (dalit women). ...the son of



Deep Narayan Chowdhury is known to have raped several women including a Yadav woman of the Bhagwanpur tola of the village. Deep Narayan Chowdhury, quite unconcerned, once commented “*maine saand pala hai*” (I have raised a bull). (Bela Bhatia, “Justice Not Vengeance: The Bathani Tola Massacre and the Ranbeer Sena<sup>4</sup> in Bihar”, *EPW* September 2013)

But sexual harassment is by no means just a feudal hangover – it looms large in modern workplaces, as the #MeToo revelations from the US to India underline.

A report, “Production of Torture: A Study on Working Conditions including work place harassments facing Women Garment Workers in Bangalore and other districts”, prepared by PUCL Karnataka; NLSIU, Bangalore Vimochana; Alternative Law Forum (ALF); Concern-IISC; Manthan Law and Garments Mahila Karmikara Munnade (2016) documented the ubiquitous nature of sexual harassment in the Karnataka garment factories producing for global corporations.

The report noted:

Sexual harassment is also common (including “staring hard at a woman worker in a sexual manner; making obscene threats, such as saying that chilli powder will be applied on the woman’s vagina if she did not work efficiently”; as well as ‘scolding’ using



Kavita Krishnan addressing a rally.

sexual expletives”.

Reports from garment factories of both Tamil Nadu and Karnataka indicate the systemic way in which the garment industry exploits the precariousness and vulnerability of women to exploit them financially and “fashion a more disciplined and hence cheaper workforce of women” (PUCL et al.)

In the Tamil Nadu factories, the women workers are younger and unmarried – and in their case, factories draw on parents’ anxieties about dowry payment as well as about preventing daughters from contracting “unwanted/undesirable” (read: in violation of caste and community boundaries) romantic/sexual relationships to justify their incarceration in hostels, relentless surveillance, bans on mobile phones and on social interaction with male workers. Though the rationalisations for gendered restrictions on the freedoms of women workers invoke concerns of “culture” and “safety”, the fact is that these restrictions have an immensely practical value of deterring unionisation. And in fact, the absence of the unioni-

sation achieved by so-called “safety” measures of surveillance and restrictions on socialisation and mobility, renders the women workers *unsafe* – by making them vulnerable and isolated, and less able to resist the structural violence, exploitation and sexual harassment they face.

The women workers in the Karnataka factories tend to be older, married women. In their case, sexualised shaming tactics also help deter them from seeking support from husbands or in-laws. The abusive conditions of work at the place of production (the factories) strain the conditions of life and social relationships at the site of social reproduction (the households).

Likewise, women’s vulnerability to or fear of violence or humiliation in their own households, and the pressures of having to earn to support economically precarious families make them more likely to submit without complaint to the abusive disciplinary regimes at work.

These practices are found even in other locations where women are part of the globalised workforce. One such instance can be found in the Export Processing Zones (EPZs) in the Dominican Republic, as outlined in a study which enquires into the deployment of practices of sexual harassment to keep women from organising (“Sexual Harassment in the Export Processing Zones of the Dominican Republic”, Pantaleon and Domin-

icana, 2003).

Thus regimes of surveillance, sexualized abuse, sexual harassment and public humiliation are integral to the production process, and are used to keep the women workers insecure by pressurizing them to meet impossible production targets.

Women's vulnerability to shaming through suggestions of sexual immorality helps deter their mutual solidarity – in communities as well as in factories, women are expected and encouraged to maintain a distance from the “immoral” woman, and to strive to prove their own respectability by their willing submission to regimes of surveillance and restrictions on mobility and means of communication.

The gendered methods of disciplining women garment workers in Bangladesh, as described by Dina Siddiqi<sup>5</sup> (“Do Bangladeshi factory workers need saving? Sisterhood in the post-sweatshop era”, *Feminist Review* 91, pp.154-174, 2009) have striking parallels with the Indian contexts.

Siddiqi observes that the women workers are regulated ‘through a distinct moral regime, separating the “good” girls from the “immoral” ones....A highly sexualized regime of verbal discipline, as well as more overt forms of sexual harassment, also serves to keep women in their place. In this universe, the good woman is the good worker – those who are morally disciplined; that is, those who do not protest or draw too much attention to themselves – are deserving of managerial protection.

Those who challenge such norms are much more vulnerable to managerial sexual advances’ (2009). As in the Karnataka factories, sexualized abuse – such as hurling insults that question the morality of the worker’s father or mother – are common in the Bangladesh factories.

The old Left slogan – “an injury to one is an injury to all” carries an extra layer of relevance in the context of women: unity needs workers – both women and men – to reject and resist every attempt to brand a woman “immoral” and shame/isolate her.

The struggle against sexual harassment, for workers in India’s organised and unorganised sector, is integrally linked to the struggle against neoliberal globalisation that seeks to dismantle, deter, and punish unionisation and collective bargaining. Where women have organised in the face of all odds – Bengaluru’s Dalit sanitation workers are an example – they often join hands to collectively confront and take direct action against contractors who sexually harass or abuse them. While the demand for Vishakh<sup>6</sup> Committees or the ICCs mandated by the law must be pursued, it must be recognised that such committees function only in a larger climate of industrial democracy. In the absence of unions and collectives, in the absence of job security for the workers, ICCs will simply serve the bosses alone and complainants will simply be thrown out of jobs.

Every woman worker in India would have a “Me Too” story. The journalists, artists,

actors and women whose testimonies of “Me Too” are finally making themselves heard, can help women workers’ experiences of sexual harassment to be heard and addressed. At this #MeToo moment, every workplace in India should Kalpana open itself to a social audit in which employees can speak up about sexual harassment, casteist abuse, and conditions of work that enable such abuse and violence to thrive. Workplaces would naturally include the streets and homes which are the workplaces for street vendors and domestic workers respectively. These audits – by activists of Unions, women’s groups, Dalit groups, LGBTQI groups – can be the basis for measures to ensure “Time’s Up” for sexual harassment of the most vulnerable sections in India.

Kavita Krishnan  
Politburo Member of CPI ML  
(Liberation)

## Endnotes

1. Kalpana Wilson, Lecturer, Dept. of Geography, Univ. of London.
2. Bathani Tola massacre – uppercase militia killed 21 Dalits including women and children in Bihar on 11/7/1996.
3. Bela Bhatia. Human rights lawyer from S. Chhattisgarh, India.
4. Ranbeer Sena is a caste based militia mainly in Bihar neighbouring states.
5. Prof Dina Siggidi. Fellow, Centre for the Study of Social Difference, Columbia University, USA.
6. The Vishakha Guidelines were promulgated by the Indian Supreme Court in 1997 to investigate cases of sexual harassment.

# Navigating the New World Order

Paper presented at Socialism Conference in Kuala Lumpur in December 2018.

## The changing world order

THE world order is changing. In fact it has continually been changing over the past 300 years due to the interplay of, among others, the expansion of capital throughout the world, the explosive growth of human technology, the conflict amongst the capitalist nations, the attempts of the USSR (up till the mid-1980s) to build a socialist block, the anti-colonial struggle, the struggle for universal suffrage, the Women's Liberation movement and Third World national liberation movements fighting for a more egalitarian social order.

Over the past 30 years, three major changes have taken place across the world. The first among these is the *implosion of the Western "middle class"* which from the 1960s till the 1980s comprised not only the small businessmen, professionals and the managerial class but also a significant portion of the organized working class in the advanced countries of Western Europe, Japan and North America.

Paradoxically, it was the victory of the West in the Cold



Tax evasion gets easier when one is super-rich!

War that has led to this implosion. The collapse of the Soviet Union in 1989 and the demise of a vastly different (albeit flawed) economic alternative to global capitalism meant that capital was able to move freely out of its safe havens in Western Europe, Japan and North America. This resulted in massive off-shoring of production to the Far East, China and the ASEAN region as global capital leveraged on the low wages in these regions to amass super profits. This off-shoring weakened the bargaining power of the working class and greatly undermined the union movement in the West. The conditions of employment of the blue collared working class in the

advanced countries therefore deteriorated markedly and so did their share of national income.

This massive off-shoring of industrial production to China, Vietnam and other countries in the Far East and ASEAN led to the creation of super surpluses as the rate of exploitation of labour increased dramatically. A large share of this huge surplus went to the few hundred giant multinationals that control the technology and the marketing chains throughout the world – the so-called “supply chains”<sup>1</sup>. However a smaller share of this surplus accrued to the governments and to the national bourgeoisie who collaborated with

the MNCs in the production of these enormous surpluses. This is the second important aspect of the recent changes in the World Order. *The industrial capacity of the receiving countries – China, Vietnam, India – has increased* by leaps and bounds. Their infrastructure has been modernized and there have been significant technological transfers to the newly industrializing countries of Asia which now are rapidly acquiring the capacity to themselves pioneer new technological breakthroughs whether it be in artificial intelligence, biomedical research or rocket launchers for satellites.

In the meantime, the large MNCs prevailed on the governments of their home countries (largely the advanced countries) to use multi-lateral institutions like the WTO to liberalize global financial regulations to break down trade barriers (making it more difficult for developing countries to develop independent industrial capacity), make it easier for the MNCs to invest wherever they want, repatriate profits as they wished, create stronger monopoly rights over their “intellectual property rights” and enact measures to diminish the power of governments to discipline them (the ISDS mechanism). Much of these measures were couched in the argument that it is for the common good – that trade is good for all, that foreign investment in beneficial to the host country, that unhindered flow of capital is desirable and that the way forward is to develop a rules based system (the fact that these rules

favoured the global super-rich was left unstated!).

The financial liberalization pushed through by neoliberal politicians and economic planners in the advanced countries *has made the off-shoring of profits easier*. This is the third important aspect of the recent changes in the global economy and it has resulted in a drop in corporate tax collection the world over. In Malaysia our corporate tax has dropped from 40% of profits in the mid-1980s to its current 24%. Lim Guan Eng, our Finance Minister apologetically promised at the latest budget that Malaysia plans to reduce corporate tax rates even further in future budgets so as to keep up with Singapore (currently 18%) and Thailand (19%).

The constraints that nations face in taxing their corporations and the richest 1% has had the following consequences :

- The growth of budget deficits and government debt. Malaysia’s sovereign debt is now RM725 billion (June 2018) or about 51% of the Malaysian GDP. Interest payments on this debt will come to RM33 billion in 2019, this more than the total Federal Health Budget for 2019!<sup>2</sup> The sovereign debt of UK is 86.6% of the UK GDP, Germany 64.1% of German GDP in 2017, USA 77% of US GDP in 2017 and Japan 254% of GDP.

- The institution of consumption taxes that burden the general public. More than 160 countries have implemented these at various rates – Singapore is at 7% while the VAT in

Germany is 19% and in Sweden 25%. These taxes are regressive in that they constitute a much larger portion of the income of the poorer sectors of the population because these sectors consume a larger proportion of their income while the richer families either save or invest a large portion of their income (thus avoiding the consumption tax).

- Developed countries have been forced to reduce welfare benefits because their budget deficits do not permit them to be more generous.

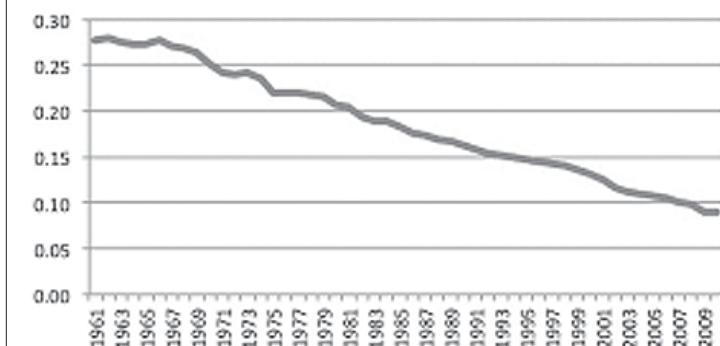
- The capacity of national governments to engage in counter cyclic spending should a recession develop has been constrained by their huge sovereign debt. This means that usual Keynesian measure of “pump priming” is now more difficult to pull off. This makes the global economy even more vulnerable to serious contractions of aggregate demand.

- The growing income disparity between the top 1% and the rest of us. The sequestration of so much wealth in the top 1% has meant that the growth of aggregate demand cannot keep up with the growth in investment capital as the former depends on the 99% while the latter comes from the top 1%. So growth in the economy remains sluggish.

The declining economic situation and eroding living conditions of the white “middle class” in the US was a major factor propelling the rise of Trump with his promise of “*Making America Great again*”. Trump is a product of



## Manufacturing Jobs (% of Total)



the economic malaise affecting the advanced nations comprising the G7.

### Trump – the wrecking ball

Trump has taken the position that the current world order is unfair to the US and that the US is being bullied by other nations through unfair treaties and international arrangements. He wants to tear up all such “unfair agreements”. He has refused to ratify the TPPA Agreement, questioned NAFTA and has taken the US out of the Climate Accords claiming that much of it is made up to disadvantage the US. He has commenced trade sanctions against China alleging that its trade surpluses with the US are due to unfair practices and that China has been “stealing” US technology and not paying for technology transfer. In effect he is challenging many of the multilateral agreements put together by neoliberal economists and politicians over the past 30 years.

But let’s be clear about this, he is not challenging the

neo-liberal consensus of the past 30 years from a left or even a social democratic perspective. He is not calling out the super-accumulation of wealth by the global elite which comprises less than 0.001% of the population<sup>3</sup>. Nor is he attempting to shift the distribution of income towards the 99% by strengthening the social safety net. Far from it! He has lowered the corporate tax rate in the US to 21% of profits, a big reduction from the 35% levied previously, and has waived penalties for previous attempts of tax evasion. He is trying his best to dismantle Obama Health Care. He has liberalized regulations regarding oil exploration and drilling.

His actions on the economic front seem to be predicated on the belief that excessive regulation by the government has suppressed the American entrepreneurial spirit. So what is required now (according to Trump) is to remove these troublesome regulations and allow American businesses to flourish as that will create wealth, economic growth and

jobs – and make America Great Again. I would classify Trump’s economic policies infantile hyper-neoliberalism. “Neoliberal” because it seeks to remove all restrictions on business whether these restrictions are taxes, environmental regulations or international rules and regulations. “Infantile” because he willfully disregards any argument contrary to his stance – he does not engage in rational discourse but just flatly rejects even scientific predictions (eg on climate change). There is no doubt that his policies will exacerbate the situation of the bottom half of the US population including the white former industrial working class.

Trump may a buffoon, but he is an extremely dangerous one! There is the ever present danger that Trump’s “bull in a China shop” model of diplomacy might inadvertently result in armed conflict with Iran, North Korea or even Russia. And there appears to be very little that ordinary citizens in other countries can do to reduce that risk! Let’s hope that there are enough checks and balances within the US and the international system to prevent those conflicts from developing. The consequences of armed conflict involving nuclear armed states are quite dire!

### China in the 21st Century

China is one of the bogeys that Trump has created to drum up support for his right wing populist policies. (The other bogeymen are Mexican,

non-white immigrants, Muslims and closet socialists in the US who are supporting Obamacare).

China has benefited greatly from the off-shoring of industrial production to China. To be sure, the MNCs that relocated production to China were no closet socialists with a hidden agenda of propelling China into the position of an economic super power – already China's GDP exceeds the US' if the higher prices of goods and services in the US is factored into our calculations. The MNCs have expropriated a major portion of the surpluses obtained from producing cheaply in China for the US and EU markets and they have made huge profits. But a significant portion (perhaps 30% – and this is my guesstimate!) of the surplus was appropriated by Chinese actors. The government managed to appropriate a portion and use it for massive infrastructure improvement. There are now a few hundred dollar billionaires in China<sup>4</sup> and thousands of dollar millionaires – they are the emerging Chinese bourgeoisie, many of who collaborated with the MNCs, but are now sufficiently empowered to strike out on their own. But there is also a huge industrial working class that has grown under oppressive conditions and which is already resisting its super-exploitation!

Trump's sanctions on Chinese exports to the US will tend to raise the costs of consumer goods in the US. This will probably lead to substitution by

goods imported from other lower cost producers such as Mexico, Vietnam and Malaysia. It is unlikely that the trade sanctions are going to promote import substitution within the US and significant growth of employment growth in the US as there are other low wage countries that can fill the demand for these goods, and the MNCs which control the supply chains will utilize these alternative countries.

It also appears quite unlikely that US sanctions will bring China to its knees! The proverbial cat is out of the bag! The past 40 years have led to the massive development of China's industrial capacity, technological expertise and infrastructure. No amount of sanctions can undo these advances. Of course, the loss of the US markets will be a major challenge to the Chinese regime, as China's total exports in 2017 came to USD2.26 trillion or 17% of China's GDP (nominal). Of this 2.26 trillion, USD 0.5 trillion were exports to the US. US trade sanctions will hurt, but China will come out of this confrontation even stronger as it has a huge domestic market and a well-balanced industrial sector.

Trump's sanctions will probably have the unintended effect of forcing China to disengage economically from the US and maybe the EU as well. A downturn in the economy due to loss of the US export markets and the resulting spike in unemployment will be profoundly destabilizing for China. It is unlikely that the

Chinese government will allow that to occur. It is probable that the government will adopt Keynesian policies and legislate that wages be increased across the board in China so that aggregate demand, economic growth and employment opportunities are maintained. That might also help to reduce class tensions in China – China's huge proletariat that is labouring under oppressive conditions is getting increasingly restive, and it is being supported by youth who are armed with Marxist concepts. The Chinese state does have a much tighter grip on power than the average state in Europe, but it may see the wisdom of attempting to co-opt the industrial proletariat by moving towards a West European type of Welfare State.

China will also try to increase its markets in the rest of Asia, Africa and in Latin America. (The late Samir Amin argued that developing countries need to form regional blocs and “de-link” from the exploitative “Triad”) It appears that Trump's antics might accelerate that process which might over the next 20 years see a more independent and economically more resilient China!

### **What does all of this mean for Malaysia and other developing countries?**

– In the short run, there might be a recession as the Trade War between the US and China takes effect. A significant portion of Malaysia's ex-



ports to China are part of supply chains that end in the US or EU consumer markets.

– But we might see relocation of industries from China to ASEAN so as to circumvent the sanctions. The potential benefits to ASEAN member economies can be augmented if there is an ASEAN wide agreement to abstain from the race to the bottom so that we can together bargain that a larger share of the value added in ASEAN countries accrues to ASEAN either as wages or as taxes.

– If China decides to adopt a policy of stimulating aggregate demand by mandating wage increases across the board in China, it will create room for the ASEAN countries to do the same so as to deepen the regional ASEAN market and wean ourselves off the ailing consumer markets of the West. We need to mobilise our societies around this demand.

– The questioning of the neoliberal consensus by Trump opens the door for the developing countries to renegotiate other aspects of this “consensus” including

- conditions for capital transfer in and out of countries
- provisions for companies to pay taxes to countries based on the actual creation of value in that country. Loopholes that allow companies to under declare their earnings must be identified and closed.
- the closure of tax havens
- the renegotiation of Intellectual Property Rights from the standpoint that human

knowledge represents our collective commons. Rich companies cannot be allowed to ring fence what is actually the product of human effort and ingenuity through the ages!

- Better balance between the growth of investment capital and the growth of aggregate demand. ie Better wealth distribution

- The right to work. Which means available work has to be shared with everyone by reducing the duration of the working week. But the hourly wage rate needs to go up many times over for workers to sustain themselves and their families. This means that the rate of profits have to be reduced.

Malaysia is already active in various international fora – we are a vocal member of the “Like Minded Developing Countries”<sup>5</sup> in the Climate Change negotiations for example. We need to continue these initiatives and might find that significant portions of the populations of the advanced countries are with us on some of these issues as they too are now on the receiving end of capitalistic greed!

The “unipolar world” of the past 30 years is going to become more multipolar as China and the other members of BRICs grow economically and this will increase policy options for smaller developing countries. But we must not imagine that it will re-create the situation of the post World War II period where the existence of a non-capitalist USSR created significant policy space for developing countries. China to-

day is a far cry from the USSR of that period. It would be unrealistic to hope that Chinese capitalists will be more benign and more progressive than US, EU or Japanese capitalists.

### **And what of the Malaysian Left?**

There are a lot of opportunities for the Left the world over, as the deficiencies of uncontrolled capitalist development are so clear for all to see. Objectively speaking we should be well placed to put forward an alternative narrative, rally people around us and make a bid for state power. But are we equal to this task?

One of the important prerequisites for gaining political traction would be to convince people that we have a workable, realistic alternative that is better for the 99% than the programme being put forward by the Pakatan Harapan government. And this alternative we are proposing must seem **WORKABLE** and reasonable in their eyes. But all too often we see slogans from a different era about smashing the capitalist state which some in the anarchist fringe would identify with, but which does not at all impress the majority that the Left has a workable solution. And we still hear calls from some progressives influenced by the analysis of the Labour Party analysts from the 1967 - 1969 period (when many of the more seasoned Labour Party leaders were detained) that the struggle for cultural equality should be elevated as the prin-

cial objective of the progressive movement in Malaysia at this point in time.

If we want to move our agenda forward in Malaysia we need to answer some crucial questions honestly. Questions such as

1. Can Malaysia to disengage from the global economy to pursue an independent “socialist” economy given that we are so deeply integrated into the global economy – the value of our exports is about 70% of our GDP! And there is no longer a Soviet bloc that will be prepared to accept all our exports.

– Or do we have to formulate a trajectory where we have to, for the immediate future at least, remain within the global capitalist system, while trying to redistribute income to the poorer half of the population and create democratic spaces for people to learn and practice the skills necessary for self-governance? And at the same time work in multi-lateral international institutions to control transfer pricing, tax evasion, regulate capital flows and reclaim knowledge as the common property of humankind.

2. How do we overcome 60 years of race based politics and build a multi-ethnic people’s movement that will provide both the electoral and the popular support for the changes we want to bring?

– Would classifying cultural oppression of the minority ethnic groups as the “Primary Contradiction” help us in building this broad multi-ethnic movement of the Malaysian

Marhein? Or would we be shooting ourselves in the foot?

3. What is our position on Political Islam? (This question has been around since the time of Tan Malaka who argued in the mid-1920s that the Left needs to accommodate political Islam if it wishes to make headway in the Malay Archipelago.) Are we going to insist that our People’s Movement must be completely “secular” given the reality that in a survey in 2017, more than 70% of Malays answered saying their religion, Islam, is a more important component of their identity than ethnicity or nationhood?

– Or do we recognize that upholding Islam can be a legitimate component of an anti-imperialist stance, and that there are different strands within political Islam, some of which are more tolerant of diversity and are based on universal principles, and try to work together with the more progressive strands?

4. Working within the capitalist system creates many “moral hazards” for individual leaders as well as for the party as a whole. What can we do to reduce the risks of being coopted by the corporations – what are the institutional measures we can adopt that will serve as a check and balance for our leaders and for ourselves?

A discussion of these 4 topics has been underway in the PSM ever since its inception 22 years ago, and we are slowly getting some clarity on these issues. But there are still many divergent views among others

in the larger Malaysian Left.

We in the Left really have to get our act together if we want to make an impact on the political process in Malaysia. As Marx said, “*the point is to change the world*”. The crucial question is – how do we engage with our people such that we can build the critical mass to together steer our society towards a better future?

Jeyakumar Devaraj  
Member of PSM Central Committee  
8 December 2018

## Endnotes

1. A good exposition of this subject can be found in John Smith’s *Imperialism in the 21<sup>st</sup> Century*. Monthly Review Press.
2. Malaysian Treasury Website
3. As of 2018, there are over **2,200** US dollar billionaires worldwide, with a combined wealth of over US\$9.1 trillion, up from US\$7.67 trillion in 2017. According to a 2017 Oxfam report, the top **eight** richest billionaires own as much combined wealth as “half the human race”. Wikipedia Nb: 2200 is 0.000031% out of 7 billion.
4. China produced 2 new billionaires a week last year according to Swiss banking giant UBS. Star 27/10/2018.
5. In the United Nations Framework Convention on Climate Change discussions, the countries that grouped themselves under the “Like Minded Developing Countries” tag were Algeria, Bangladesh, Bolivia, China, Cuba, Ecuador, Egypt, El Salvador, India, Indonesia, Iran, Iraq, Jordan, Kuwait, Malaysia, Mali, Nicaragua, Pakistan, Saudi Arabia, Sri Lanka, Sudan, Syria, Venezuela and Vietnam.

# Privatization is not the solution

PRIVATIZATION has not provided the miracle cure for the problems (especially inefficiencies) associated with the public sector. The public interest has rarely been well served by private interests taking over services formerly provided by the public sector. Growing concern over the mixed consequences of privatization has spawned research worldwide.

Both Bretton Woods institutions have long been aware of the adverse impacts of privatization. For example, IMF research acknowledged that privatization “*can lead to job losses, wage cuts and higher prices for consumers*”. Similarly, World Bank research on Argentina, Bangladesh, Chile, Ghana, Malaysia, Mexico, Sri Lanka and Turkey found huge job losses when big SOEs were privatized.

In the United States, the United Kingdom, Canada, Chile, Sweden, Russia, Poland, Ukraine, Bulgaria, China, Hong Kong, Malaysia, the Philippines, South Korea, Sri Lanka and Bangladesh in the period from 1999-2004, privatization more adversely af-



Jomo Kwame Sundaram.

fected women workers. IMF and World Bank safety net or compensation proposals to cushion the impact on displaced workers were either too costly for the public treasury or too administratively burdensome.

Diverting private capital from productive new investments to buy over existing state-held assets has actually slowed, rather than accelerated economic growth. This significantly diverts funding from productive new investments thus augmenting economic capacities, to instead buy over already existing assets. Instead of contributing to growth and job creation, this simply changes asset ownership.

Listing privatized SOEs on the stock market subjects them to short term managerial

considerations, typically to maximize quarterly firm earnings, thus discouraging productive new investments for the longer term. This short-termist focus tends to marginalize the long-term interests of the enterprise and the nation.

Thus, stock market listing implies the introduction, perpetuation and promotion of a short-termist culture. This is often inimical to the interests of corporate and national development more generally, and improving economic welfare more broadly.

## Private ownership not in public interest

Both evenly distributed as well as concentrated share ownership undermine the corporate performance of the privatized enterprise, whereas state ownership could overcome such collective action problems. Where the population has equal shares following privatization, such as after “voucher privatization”, no one has any particular interest in ensuring the privatized company is run well, worsening governance problems. Thus,

public pressure to ensure equitable share ownership may inadvertently undermine corporate performance. As shareholders only have small equity stakes, they are unlikely to incur the high costs of monitoring management and corporate performance. Thus, nobody has an incentive to take much interest in improving the corporate operations.

This “collective action” problem exacerbates the “principal-agent” problem as no one has enough shareholder clout to require improvements to the management of the privatized enterprise due to everyone having equal shares and hence modest stakes. Conversely, concentrated share ownership undermines corporate performance for other reasons.

Privatization may postpone a fiscal crisis by temporarily reducing fiscal deficits with additional ‘one-off’ revenues from selling public assets. However, in the long-term, the public sector would lose income from profitable SOEs and be stuck with financing and subsidizing unprofitable ones. More resources would also be needed to finance government obligations previously cross-subsidized by SOE revenue streams.

As experience shows, the fiscal crisis may even deepen if new owners of profitable SOEs avoid paying taxes with creative accounting or due to the typically generous terms of privatization. For example, Sydney Airport paid no tax in the first decade after it was privatized even though it earned

almost A\$8 billion; instead, it received tax benefits of almost A\$400 million!

### **Adverse public welfare impacts**

Privatization tends to stoke inequality. Due to the macroeconomic consequences of privatization, reduced investments in the real economy would mean less job growth, stagnant wages, or both. Diversion of available funds to buy existing assets diminishes resources available to expand real economic capacities and capabilities. Thus, by diverting private capital from productive new investments to privatize existing public sector assets, economic growth would be slowed, rather than enhanced.

Privatization gives priority to profit maximization, typically at the expense of social welfare, equity and the public interest. In most instances, such priorities tend to reduce jobs, overtime work opportunities and real wages for employees besides imposing higher user fees or charges on customers or consumers. Thus, privatization, tends to adversely affect the interests of public sector employees and the public, especially poorer consumers.

### **Short-termist developmentalism**

Investments by the new private owners are typically focused on maximizing short-term profits, and may therefore be minimized. Profit-maximizing commercial or “economic” costing has generated various

problems, often causing services and utilities, such as water and electricity, to become more inferior or expensive. Without subsidies, privatized companies typically increase living costs, e.g., for water supply and electricity, especially in poorer, rural and more remote areas. Thankfully, technological change has reduced many telecommunication charges, which would otherwise have been much higher due to privatization.

Privatization was supposed to lead to fair competition, but private owners have an interest in retaining SOEs’ privileges. Hence, there has been concern about: (i) formal and informal collusion, including cartel-like agreements; (ii) privileged bidding for procurement contracts and other such opportunities; and (iii) some interested parties enjoying special influence and other privileges.

Costs of living have undoubtedly increased for all. Privatization has often resulted in dualistic provision of inferior services for the poor, and superior services for those who can afford more. This might well be appreciated by those who can afford costlier, but better, privatized services, especially those who resent cross-subsidization of services to the needy. But it augments inequality in society and undermines social solidarity.

Jomo Kwame Sundaram  
Member of Economic Action  
Council, Malaysia  
14 May 2019



## “No” to the seed law

PSM finds the recent move by Ministry of Agriculture and Agro-Based Industry (MOA) to introduce a new seed law to control and regulate informal seed distribution and sharing in Malaysia very disturbing. The proposed law will have severe negative implication on local farmers particularly the smallholders.

The proposed seed law legitimizes the establishment of system for patenting agriculture seeds paving the way for the multinational agri-businesses (Agri-MNCs) to monopolise the supply and exchange of seeds in Malaysia. The new seed law will make it compulsory for farmers, seed breeders and seed distributors to conduct lab-based experimentation, certification and registration if they want to pass their seeds to other farmers. Breeders will only receive registration for seeds that are uniform and consistent which is only possible under controlled lab condition. The seed law will criminalize the saving, exchanging and selling of seeds amongst local farmers.

Such regulations will



eliminate smallholder farmers from the seed distribution network, leaving the agri-MNCs the clear winners in seed distribution. Henceforth, the farming community will be forced to acquire the seeds from the MNCs. The premium imposed by the MNCs will increase the cost for the small farmers. The smallholder farmers will be forced into poverty due to razor thin earning margins. Subsequently, the government may

have provided subsidy to the seed company to ensure food supply and farmers livelihood.

The farming community and indigenous people are pioneers as they have conducted multiple combination of seeds, soil and organic fertilisers over thousands of years. Agri-MNCs today are merely acquiring and documenting the efforts of these farming communities. The variation of agriculture seeds was derived from these community's perseverance and knowledge. Allowing Agri-MNCs to register seeds is equivalent to “fencing up the commons” and denying the contribution that these farming communities have made over the centuries.

Seed registration will curtail the storing and exchange of seed by smallholders and strengthen the corporate stranglehold over seed sales and distribution. The existence of such laws allows farmers that conduct traditional method of seed production to be prosecuted. This has occurred in Indonesia and Colombia. In India too, the internationally renowned snack



Protest in Ghana.

food manufacturer PepsiCo is prosecuting farmers for planting the similar type of potato which PepsiCo uses for their Lays potato chips.

Small farmers will lose their right to experiment as corporations providing the seeds will also specify the type and quantity of pesticide and chemical fertilisers which no doubt they will “generously” provide at marked up prices. Excessive use of chemicals fertilisers and pesticide have negative implication on soil health, fresh water supply and human health.

The PSM understands that the PH Government, in its desire to attract even more for-

eign direct investment, wants to demonstrate to the international business community that Malaysia is “business friendly”. One of the ways of doing so would be to enact domestic legislation that is consistent with the UPOV (International Union for the Protection of New Varieties of Plants) Convention of 1991 which codifies and strengthens Intellectual Property Rights (IPR) in the field of plant varieties and seeds. This has long been the demand of advocates for the large MNCs developing and distributing seeds, fertilisers and pesticides. They want a stronger monopoly over the market for these prod-

ucts. The Trans Pacific Partnership Agreement, that has now been put on hold by the election of President Trump, had clauses that committed participating gov-



ernments to endorse the UPOV within a certain time period and legislate domestic laws to give force to UPOV 1991.

However the PH Government should listen to the many dissenting voices before making a decision. There are many citizen groups that have criticized the UPOV for disempowering small farmers and increasing the power of the agri-multinational over the supply of farm inputs. There are many NGOs and analysts who are arguing that over-strong IPR provisions only creates monopolies, increases prices of the products provided and slows down innovation and invention. Over rigorous IPR rules benefits the largest companies and amount to fencing up of the commons. It is a mechanism to squeeze even greater surplus from the small farmers of the Third World to augment the wealth of a dozen or so giant agri-MNCs.

PSM urges the MOA to not to attempt to bulldoze the draft Seed Bill. Not only does it disempower and impoverish farmers, it will effectively arrest Malaysia effort to switch back to organic farming and commit us to modern intensive farming methods dictated by the Agri-MNCs which is in the medium term harmful to humans and to soil health.

MOA should instead start a dialogue process with farming communities, NGOs, and indigenous people before sending the seed bill to the Parliament.

Sharan Raj  
PSM Youth Wing



# Knowledge should not be made private property

George Smith, recipient of a 2018 Nobel Prize for Chemistry, spoke to a crowd of students and faculty about the problems that arise from making publicly funded research intellectual property. Smith said one of the greatest problems facing the scientific research community is the ability of universities to claim intellectual property rights on publicly funded research.

“I think that all research ought not to have intellectual – not to be intellectual property,” Smith said. “It’s the property of everyone.” He said this is especially a problem in drug research and development.

According to Smith, Humira, an antibody treatment for arthritis and certain autoimmune diseases, emerged from decades of publicly funded scientific research, like the discovery of Humira’s target antigen, TNF alpha. The drug is sold at retail price to US consumers for around \$30,000 a year. Despite this research being publicly funded, we have one company that owns the ability to price that drug, Smith said. He said he believes society is within its rights to demand more equitable distribution of the research they have paid for.

After the talk, Smith told The Plainsman the Bayh-Dole



USD30,000 per year of treatment.

Act, a law passed in 1980 that allowed universities to pursue patent rights, restricts the possibilities of scientific research.

“It skews research towards things that happen to be monetizable, and makes things that aren’t monetizable downplayed,” Smith said. He said the Bayh-Dole Act helped Humira gain patent rights to the drug, allowing them to charge their high prices. This also gets rid of the incentive to do research on drugs similar to the Hepatitis C cure, Smith said. One-time use drugs don’t create a consumer base like Humira, which needs to be taken twice a week for the rest of one’s life.

“I think we should not have a prejudice against cures as opposed to treatments,” Smith said.

Trice Brown/Campus Reporter  
The Auburn Plainsman

April 11, 2019

Editor’s Note: *The Bayh-Dole Act or Patent and Trademark Law Amendments Act (December 12, 1980) is United States legislation dealing with intellectual property arising from federal government-funded research. Sponsored by two senators, Birch Bayh of Indiana and Bob Dole of Kansas, the Act was adopted in 1980. The key change made by Bayh-Dole was in ownership of inventions made with federal funding. Before the Bayh-Dole Act, federal research funding contracts and grants obligated inventors (wherever they worked) to assign inventions they made using federal funding to the federal government. Bayh-Dole permits a university, small business, or non-profit institution to elect to pursue ownership of an invention in preference to the government. (Wikipedia)*

## Lessons from PRU 14

THE PSM was in a difficult situation in the run-up to the 14<sup>th</sup> General Elections (PRU 14). We had based our planning for PRU 14 on the assessment that it would witness a lot of 3-corner contests as it seemed unlikely that the opposition would be able to settle their differences and present a unified front. We therefore encouraged branches to put up candidates for it seemed the opportune time to break out of the 4-seat rut that we were confined to in the previous 2 elections.

The decision of the Pakatan Harapan parties to stand on a common logo took us by surprise. If we wanted to avoid standing as the third candidate, we would have had to compromise quite a bit to get 1 or perhaps 2 seats to contest on the Pakatan Harapan (PH) logo. However at that point, the majority of PSM members were not in a mood to compromise to that extent – ie standing down 14 potential PSM candidates, and not using our logo.

I personally, was in a difficult situation. Several PH leaders had indicated to me that the Sg Siput seat was mine if I agreed to stand on a PH logo. And many of the voters in Sg Siput were urging me to accept that offer. But the PH was not



Pre-election Public Forum.

prepared to agree to PSM's counter-proposal – to allow 5 another PSM candidates (in addition to me) also stand on the PH logo. If the PH had agreed to that, we would have called an emergency Congress to discuss the option of standing down 8 candidates for the opportunity for one-on-one contests in 6 seats. I believe we could have obtained the consensus for that. But the PH was not prepared to accommodate us to that extent.

I could have ignored the decisions taken in PSM over the preceding 2 to 3 years and accepted the PH offer. I could have won again in Sg Siput, but would have left the party severely messed up – a senior founder member flaunting clear positions taken in successive congresses!

At the same time, there was another worry on my mind. I feared that my standing in a 3-corner contest as PSM would split the vote and that BN would win as a result. That would have gone against the fervent desire of the Sg Siput voters who had voted me in for 2 terms. They really wanted to change the government. That is why I tried to stand down and not contest at all. But that caused a flurry of protests within the party. Ultimately, I decided to acquiesce to the party line and stand on the PSM logo in Sg Siput because I believed (and still do) that Malaysia really does need a socialist party!

The PSM went into PRU 14 knowing quite well that we were unlikely to win in 3-corner contests. But we were quite

taken aback by the extent of our loss. I, for example, had expected that with the constituency work that we had put in the previous 10 years, I would at least get enough to redeem the deposit. But the non-Malay voters in Sg Siput swung overwhelmingly to PKR despite the fact that the candidate was an unknown in the constituency. It was the same for all our candidates. Arul, Saras, Rani and Suresh were among the candidates who had put in more than 5 years of serious constituency work, but all lost their deposits.

### **Lessons from PRU 14**

We can surmise a few lessons from our painful experience. The first is that Malaysian voters are influenced by the national narrative – this time it was about changing the BN. Nothing else mattered – anything but UMNO was the catchword. The second lesson is that Malaysian voters are very aware of the limitations of the “first past the post” system in Malaysia and so, they vote tactically such that their votes are not “wasted”. Third, constituency work or the attributes of the candidate make very little difference to the way in which people vote. Malaysians tend to vote for the party. Parties like the DAP understand this, which is why it is quite common for the DAP to switch candidates around and stand people in constituencies they have never done work before.

The fourth lesson is that the PSM wasn’t savvy in read-

ing the electorate’s mood. We didn’t think we would fare so dismally – in fact there were members in my branch who felt we could win in a 3 corner contest because of our track record. We over-estimated the impact of constituency work on voting patterns. We believed that our consistent work in tackling local issues would win us significant support. As a result we over-estimated our electoral strength and didn’t compromise as much as perhaps we should have.

The observations listed above raise several pertinent questions.

### **Should the PSM then re-apply to be a member of the Pakatan Harapan?**

There are a number of supporters who keep advising us to do so. They argue that it is going to be very difficult to win seats standing in 3 corner contests. So for PSM candidates to make it into parliament, we would need to join a coalition. Well, we did ask before (before PRU 13), but were told that we would be a liability as our ideology might scare away voters.

But should we ask again? The PH appears to be even more neo-liberal in its economic policies than the BN. As a junior partner (if we were ever accepted) PSM would not be in any position to slow down the implementation of neoliberal policies. There are some who feel that the PSM’s main role should be to articulate an alternative vision for Malaysia that is based on so-

cial solidarity, that pushes for a more equitable distribution of income, that closes of tax loopholes and tax havens for the super-rich and promotes people’s participation at all levels of government. Would we be able to articulate this vision if we were a member of the PH? Or would we be seriously compromised?

Our current stance is to play the role of a loyal opposition – we criticize, but also engage with the PH to suggest solutions to the problems that people face. In the past one year PSM has had meetings with the Ministers of Health (to discuss deficiencies in health care delivery in government hospitals), Human Resources (minimum wage and labour laws), Education (the plight of contract cleaners in government schools), Women (the problems faced by single mothers) and Rural Development (programs to help the rural poor).

### **Should PSM spend less time and effort on constituency work and more time on promoting PSM nationally?**

There are some both within the party and without who suggest this, as constituency work does not lead to electoral success but does take up a lot of time and effort. They argue that PSM should use the media more cleverly, expose shortcomings of the PH, sensationalize certain issues, and thus raise the profile of the PSM.

But others in the party argue that constituency work - going to the ground to find out

the problems that people face and understand the causes of these problems - is the basis of socialist praxis. If one does not understand the problem one cannot suggest effective solutions to it. If one does not go to the ground, one will not be able to mobilise people to come together to push for particular policies to address their problem. Going to the ground is an integral part of the work that socialists should do.

This issue is still being debated hotly within the PSM. Obviously, the party needs to do both of these – grassroots work and raising the profile of the party, and these are not mutually exclusive. The disagreements are between those who feel that the PSM isn't doing enough to "market" itself and those who argue that we need to spend more time and effort developing the "products" (analyses, policies and people's movements) that are to be "marketed".

### **The war of position**

I personally believe that there are no shortcuts. If the PSM wishes to present a distinct, recognizable alternative path of development for the nation, then the PSM cannot join a coalition with a neoliberal orientation. This means that the PSM will not do well in elections until we are able to build a coalition of progressive forces across the nation. That might take 3 or 4 election cycles. It's going to be a long, tough march! Definitely not for the faint-hearted!

But that does not mean that the PSM will be ineffectual during that period of time. Our mobilization of grassroots sectors is already putting many of the issues affecting the ordinary public on the national agenda. Our voice is being heard even though we are "speaking from below". Since PRU 14, the PSM has helped highlight, among others, the following issues:

- the need to have a higher minimum wage;
- that housing for the B40 cannot be left to private developers. The government has to intervene.
- the contract system for school and hospital cleaners oppresses the poorest quintile of our population and keeps them in poverty.
- the MySalam scheme does not address the main shortcomings of the health care system.
- the plight of those without citizenship despite being born in Malaysia.

These are in addition to PSM's direct involvement in more than 30 poor communities facing eviction pressure (in the past 1 year alone) and the assistance given to several hundred individuals who come to PSM service centres seeking help for a wide range of issues.

Socialists believe that a better, more equitable and kinder society is possible, and that it has to be built by mobilizing ordinary people to aspire for it and work for it. For the past 20 years, the PSM has been walking that talk with ordinary Malaysians, helping

them organize and fight back against injustices. Gramsci termed this "the war of position" – the effort to create an alternative narrative and culture within the interstices of the existing order. An alternative vision for the future of our country that challenges the existing neoliberal discourse and counters the ideological and cultural hegemony of the ruling elite.

Some idealistic young people are rallying around the PSM as they feel that the PSM is doing the right thing. We will continue holding up flag and serve as a rallying point for those who realize that the current system needs an overhaul and that mobilizing the bottom 80% of Malaysians to fight for a better future for all is the only way forward.

The "silver lining" in our present situation is that those who see politics as a career to advance themselves will keep away from the PSM. That will help us in building a network of sincere, left wing activists throughout the country over the next 10 years.

Only after making some progress in this "war of position", and consolidating our organizational strength will the socialist movement have the necessary popular support to begin waging the "war of manoeuvre" to bring a progressive coalition to power.

And of course we will continue to take part in elections along the way – they are one of the arenas the war of position is waged!

Jeyakumar Devaraj  
14 May 2019



## A socialist assemblyman for Semenyih?

SINCE the start of the Semenyih by-election campaign, Semenyih residents are being bombarded with political terms which they are not familiar with. The actual meanings behind these terms are often misunderstood, raising a lot of questions among the people. Sometimes there are very strong reactions to these terms. This can lead to a situation, where voters might choose a less viable candidate in order to protect some perceived interests, that actually were not being threatened at all.

A term which often becomes a source of such controversy is “socialism”, an ideology by Parti Sosialis Malaysia (PSM). Some might think that socialism is the ideology of the Democratic Action Party (DAP). In reality however, the policies of the DAP are not socialist at all, but in many instances are the opposite. We will analyse this in a moment.

### **Socialism**

But first, we have to ask, what is socialism? Socialism is an ideology which gives emphasis to the fair distribution of the country’s wealth, so that it



A spirited campaign.

is used for the benefit of all its citizens. This is the academic definition. The applications of socialism vary widely, and is unique to each country. The Scandinavian countries implement the Nordic model, which has high rates of taxation (up to 60 per cent at the highest income tax bracket) in order to provide free and high-quality basic facilities. There are also other models such as in Cuba, where various economic activities are done through direct government intervention, to maintain the people’s ownership over their own country’s wealth.

Socialism strives to ensure that the wealth generated by the working people is dis-

tributed fairly. This is done by providing facilities such as hospitals, education, public transportation, and public welfare systems. All these facilities must be widely and easily accessible, low cost, and of high quality. Socialism also makes it the government’s responsibility to protect the interests of the common people, from being oppressed by the wealthy elite. A socialist government should also empower its people, by putting in place structures such as workers’ unions, through which people can put forward their demands and organise demonstrations, discussions, or even campaigns to vote out the government itself, if they perceived it to be oppressive. So-

cialism also places importance on the protection of natural resources, so that these are not wantonly destroyed just to generate more profits.

## Capitalism's weakness

In order to understand why we need socialism, we must first understand the problems associated with the system it is trying to displace - capitalism. Capitalism is an ideology emphasising on individualism, including the right of an individual to generate one's own wealth. Capitalism posits that every individual is born equal, and freedom should be given to each individual, so that collectively the people can contribute to society in their own unique way. On the surface, the logic seems sound. However, it hides some important details. Mainly, we should understand that one's life conditions are not the same as others. Some are born wealthy or privileged,



Nik Aziz Afiq.

some are born with disabilities, and some have to stop work in order to take care of their poor families.

Capitalism generally does not really care about these differences at their core. For example, many capitalist countries have welfare programs for individuals who need help. In Australia, there is a welfare system in place to help unemployed people. However, big companies take advantage of this system by offering only precarious jobs, with short-term contracts. These jobs are often without fixed salaries, but the workload is the same or

more than permanent workers with fixed-salaries. The core issue of solving the people's economic problems are sidelined. Instead, the system ends up assisting the already rich employers to become even richer.

This is the weakness of the capitalist system. In emphasising the individual's right to make profits, the concept of social equality is forgotten, thus the gap between the rich and the poor keeps on widening. Welfare programs are short term and fail to solve the root cause of poverty, which is the oppression of the poor by the rich. Where is the logic behind Malaysia's measly minimum wage of RM1,100, which is opposed by employers who reap millions worth of profit? It has always been said that raising the minimum wage would force many companies to close down. However, when Malaysia introduced the minimum wage of RM900 in 2012, no companies went bust due to this act.

**While the rich become richer, the poor are seen as lazy**

Today, most governments of the world put more importance on the profits of their wealthier citizens. Their logic is that the rich will create lots of jobs for the common people, and that profits made by the rich will be channeled back to the country, thus accelerating the local economy. However, in reality the profits are mostly



Pertinent issues discussed.



taken and kept by the employers, typically frozen in off-shore accounts, virtually untraceable, and thus untaxable. Workers who toiled in generating the profit end up with meagre salaries instead. When asked about such injustice, employers would answer that their workers were not productive, lazy, or did not deserve higher salaries due to lack of skills and expertise.

The government then has to raise taxes on basic goods such as food, clothing, and cleaning supplies, in order to sustain government expenditure. The daily pressures of life suffered by the common people are “solved”, but only partially, by using various government aid programs, which only alleviate these burdens for the short term. The structural reform needed to solve the people’s problems at their roots are left unimplemented.

For example, labour unions are needed to enable company workers to organise and demand better work conditions. Issues such as salary, number of leave days, total compensation upon termination, and workplace infrastructure facilities can be negotiated if there are strong labour union. In capitalist countries, including Malaysia, the power and influence of these labour unions are controlled. Without effective collective bargaining power, workers are left at the whims of their employers. Now disempowered, they no longer have the power to demand their rights, and resort to additional part time work in order to gain extra income. Due to this real-

ity, many Malaysians are forced to spend too much time working to make ends meet, instead of enjoying the fruits of their labour, or spending time with their families.

Taxes on the rich are also reduced. This is due to the power and influence of the wealthy over the government, who often threaten to relocate their companies to other countries if their taxes are not reduced. The government then takes the easy way, by complying with whatever is requested by the wealthy elites, resulting in continued oppression of the common people. This is especially true when the government itself seeks to gain more profit, such as via the GLCs, or selling off the country’s assets to the private sector.

### **Between Harapan and Barisan, what is the difference?**

All this while, the government led by Barisan Nasional has reduced taxes for the wealthy, passed laws that weakened the labour unions, and oppressed the people by curtailing freedom of speech and association. Do we see a different narrative in the Pakatan Harapan government? Apparently not. Malaysians are still labeled as lazy, the labour unions are urged not to hold demonstrations, and progressive tax increases are said to be not feasible, in order to pacify employers. From the economic perspective, both the Barisan Nasional and Pakatan Harapan governments carry the same narrative, and therefore are in-

herently oppressive. Both are only interested in solving the poor people’s problems for the short term, such as giving away BR1M, which has now been changed to BSH.

Thus, we have seen how capitalist policies clearly oppress the people. Such principles are upheld by both Barisan Nasional and Pakatan Harapan. The main political party upholding socialist principles is the Parti Sosialis Malaysia. PSM is the one fighting for higher minimum wage, which campaigned for employment insurance scheme until it became reality, keeps stressing the need for robust healthcare system servicing the common people, and is handling thousands of people’s cases ranging from land disputes to housing, oppressive employers, and environmental destruction.

Socialism is an ideology which can be simply described as having the people’s welfare at heart. Therefore, socialism can ensure that the country’s wealth is distributed fairly, and stop the oppression of the ordinary people by the rich. Only through socialism can we build a calm, peaceful and harmonious community. This is socialism, the foundation of Parti Sosialis Malaysia, different from both the Barisan Nasional, and also the Pakatan Harapan. Should it be respected and loved by the people, or scorned as a system which has lost its bearings? This is the question now put to the Semeniyh voters.

Arveent Kathirtchelvan  
PSM Youth Wing  
24 February 2019

# Semenyih, Socialism and PSM

ON 2 March 2019, the Parti Sosialis Malaysia (PSM) lost its deposit in the Semenyih by-election. This result was expected by the PSM leadership who had taken the decision to contest this election knowing fully well that we would not do well in the polls. However the result upset several of our members and supporters who felt that the outcome did scant justice to the work PSM has put in the area.

PSM performed poorly because most of the voters who came out to vote – either voted the Barisan Nasional (BN) to protest against the Pakatan Harapan (PH) or voted PH to redeem some pride after losing Cameron Highland. PSM's new candidate Nik Aziz Afiq received 847 votes which was 0.6% less than the votes received by me in 2018. PSM was hoping for votes from younger voters and disgruntled PAS members, but we didn't succeed. Most people saw this by-election as a two party race and did not bother much about the third party.

In the past one week we have received many reactions. Some people told us that we



Launch of Semenyih Manifesto.

should find a way to be part of PH. Some felt that our logo needs to be changed as it might be perceived as too aggressive. Several mentioned the two magic words – rebranding and better marketing. Some even suggested that PSM becomes an NGO.

## Why did we stand?

On 26 January 2019, three weeks before nomination day, the PSM Central Committee discussed the proposal by the Semenyih Branch to stand in the by-election. At that meeting, I presented a bleak picture on how we would fare but said

that despite that PSM should stand in the election. Many CC members shared similar sentiments. It was a unanimous decision to stand and it was perhaps the best marketing strategy taken by the party to raise critical issues missing from the national discourse.

We decided to stand in the Semenyih by-election for three main reasons. Firstly we wanted to use the election to promote our national campaigns by using media coverage of the candidates to put our campaign issues on the national agenda. Second, we wanted to raise awareness on the real plight and problems faced by

the people in Semenyih as well as the B40 all over Malaysia. It was our view that both the big parties were not going to focus on this. Thirdly – we wanted to see if there is a space for a third alternative against the mainstream narrative of two party system.

### **The PSM campaign**

Many well-wishers donated towards our campaign and we managed to raise sufficient funds to carry out this campaign. A group of 52 activists calling themselves the Progressive Voices endorsed us and called for voters to support PSM in this election. The PSM achieved what we wanted by getting massive media coverage on the issues we raised and many media analysts wrote that the PSM campaign was well organised and that the PSM candidate was the only candidate with a local manifesto as well as someone who knew the issues well.

In all aspects, our campaign met the expectation and we gave a fight to the two major parties – BN and PH. Both parties depend on superstars from outside. PH brought Mahathir, Anwar, Sabu and Kit Siang while BN had Najib drawing the crowds. PSM meanwhile brought plantation workers, urban poor and contract workers to highlight the plight of the people. PH is combination of four big parties while BN(UMNO, MCA & MIC) and PAS was the other coalition. So for PSM, a solo party fighting these two coalitions it was not an easy task.

### **The PH was forced to respond**

We started the campaign with our candidate declaring his assets. He also pledged not to use racial politics in the campaign. Both PH and BN candidates when confronted by the media said that they would also declare their assets but neither did.

Both the BN and PH candidates refused to a live debate organised by BERSIH. This itself speaks volumes on how these big parties consider voters. They don't place any importance on being accountable and accessible to the public. On the other hand, the PSM candidate had a daily live FB show and daily media interviews.

On day three of the campaign (18/2/19), we presented a local manifesto highlighting seven issues. All these issues were picked up by the media and became major talking points during the entire campaign. It included issues such as health, education, house prices, public transportation, environment and local democracy. PH candidate who initially said that he had no manifesto was forced three days before election day to come out with an election agenda.

On day four – PSM had a press conference near the Semenyih Health Clinic (Klinik Kesihatan) which we said was overcrowded and requested that it be upgraded to a hospital. The very next day, PH candidate said that he would campaign to build a hospital. But his demand was turned down by the Health

Minister who said Aiman (the PH candidate) does not know anything and there were no plans to build a hospital. The media started to interview people and many raised the issues of the long waiting hours in the clinic. The Health Minister then announced that a third clinic will be built in Semenyih. After further pressure, he said a hospital could be built if the Finance Minister has the money. Finally Tun Mahathir who made his debut on the 28 February said that they will build a hospital if it is needed.

Dr Jeyakumar's press conference in Semenyih on the Great Eastern MySalam Scheme became a hot topic and received a lot of media coverage. The Health Minister and the Finance Minister appeared jointly to address the media on this topic. The Government also came out with a FAQ on it. Lim Guan Eng just said "Why attack us as we are just trying to help the poor?" but he till today cannot give a proper explanation. One huge dent has been put on the Great Eastern MySalam scheme and once again PSM has put the PH National Health Policy under the microscope.

On day five PSM organized a toll protest at the Lekas Highway, Semenyih exit. The protest got good support and a day after that, the PH Government started to talk about reducing toll rates at non peak hours etc. They were responding to the PSM call on the issue of toll rates affecting the Semenyih local folks.

During the campaign trail, we also had press confer-

ences in two plantations, Ladang Denudin and Ladang Bangi, where workers had won free housing after a long struggle led by the PSM. These served as another opportunity for us raise the question about laws to safeguard plantation workers on estates going for development. In respond to this, Selangor Exco YB Ganabattirau and Human Resource Minister YB Kulasegaran said a new law would be enacted to safeguard houses for estate workers (though a similar promise was made by YB Xavier ten years remains unfulfilled.)

### **Mahathir and socialism**

But our biggest victory came when Mahathir suddenly spoke about dangers of socialism and emphasized that the capitalist system needed to be safeguarded. He said that he was referring to some PH members acting like socialists. However one senior PH leader told me that Mahathir was in fact responding to the PSM. Why is Mahathir suddenly reacting to Socialism?

Last month, in his State of the Union address, Donald Trump warned about Socialism in the US. Perhaps he is worried about the huge support the younger generation is giving to Bernie Sanders and his call for democratic socialism. Is Mahathir worried that that might also develop here?

### **Class politics**

During the entire campaign, we raised class issues unlike the BN which played on

race and religion. For example – we spoke about affordable houses and we criticized Mahathir's view that B40 people will benefit by supplying houses priced at 400k. We spoke about contradiction between high house prices and low wages. We spoke about putting a cap to luxury houses built rather than having a quota on low cost housing. Our toll protest was against privatisation policies. Our health argument was against health care being dictated by Insurance Companies. Our youth wing raised the issue of many GLC running charging students fees as high as the private colleges. We once again raised the issue of the minimum wages and criticized PH Minister of Human Resources for defending low wages. We exposed the fact that PH policies, like BN's previously, are pro-capital and pro-business.

Our attack on PH policies hit Capitalism directly. The free Media of today did play some of these concerns and definitely Mahathir and his class were not very happy. PSM spoke for housing rights for the majority, education for the many, better wages and many others. Sadly in spite of our achievements, the other parties continue to talk about race and religion. In the end the majority of the non-Malays voted for PH while the majority of Malays voted for BN.

PSM's class politics is more relevant today than ever. The failure to bring forward class based politics will only result in the country moving backwards into race and reli-

gion – something which has been dominating our politics for decades.

Today, Malaysian civil society is in a state of fatigue. After fighting the BN for 6 decades, they were so happy to see a change in government. But increasingly, the victory seems illusory as the current ruling party seems to be playing by the old game book. While some civil society members have been coopted into the ruling party and trying their best to reform the system from within, others have retired as they felt that the fall of the BN is the end of the struggle. Yet another small group remains critical of the PH and its u-turns. Many others are torn between these 3 groups and are in the state of "wait and see".

We have to fight racism and capitalism. This is going to be tough fight but something which we need to do. Our failure to do so will be fatal. We may end up back with the BN in power, or more worrying yet is the possibility that Malaysian politics is going to become more ethnically polarized. We need a third voice- we need class based politics that can unite the B40 and the M40 of all races to fight for a better society for all, irrespective of race and religion. We need to fight the system which enriches a few over the many. We may have lost the by-election but definitely, not our vision of a better, fairer world. Our struggle will continue!

S. Arutchelvan  
Member of PSM Central Committee  
11 March 2019



# Malaysia 'Baru' needs a more enlightened approach

THE PSM is disappointed though not too surprised by our Prime Minister's statements as reported in page 2 of the STAR 15 January 2019. Dr Mahathir identifies poverty as a "Malay" problem and does not seem to appreciate that there is significant socio-economic differentiation within the Malay community. This approach to handling poverty led the BN to make 2 major mistakes over the past 60 years. Firstly, the BN became blind to non-Malay poverty, and this has generated much resentment in the poor among the Indians and Chinese who should have been included in the affirmative actions implemented for the Malay poor. We would now be a much more integrated and harmonious nation had this been done!

The second major mistake, the failure to recognize class differentiation within the Malay community, led to preferential treatment for Malay businessmen which in some sectors led to serious problems for the B40 (about 75% of whom are Malays). One good example is the excessive provision of permits to Malay owned labour-importing agencies which has led to the flooding of the Malaysian labour market by foreign workers (currently 5 to 6 million) and the



Tun Dr. Mahathir bin Mohamad.

depression of the wage floor for Malaysians in the B40. Many Malay businessmen and politicians became filthy rich as RM10,000 could be squeezed from each foreign worker imported into Malaysia. But Malays and other Malaysians in the B40 have been left facing under-employment and a labour market where they have little bargaining power.

Another example is the awarding of cleaning and security contracts in schools, government hospitals and in other government buildings to private Malay contractors. This has condemned more than 150,000 contract workers, largely Malay and Indian, to a life of insecure employment (as contracts require to be renewed every three years), low wages and minimal social protection (no pension, no housing loan, no IJN cover, no retrenchment benefits if not re-employed at end of contract, etc). An effort

to inculcate Malay entrepreneurs has had a very adverse effect on the workers employed by these entrepreneurs!

The PH government must learn from these mistakes and avoid using the emotional argument about Malay poverty as the excuse to reward T20 (top 20%) Malay individuals with contracts, share allocations and privatization deals. Class differentiation within the Malay community must be recognized explicitly and each proposal to improve the economic status of Malays should be analyzed for its differing effects on the different social strata within the Malay community.

A good example is Dr Mahathir's stated intention to privatize successful GLCs to Malay individuals so that equity ownership is more racially balanced. How would this be of benefit to the B40 Malay? If the successful GLC remained under government control, the profits derived from it could be used to fund affirmative action programs for B40 families. Also, as an example, the government could request these GLCs to pioneer child care provision and implement a higher than minimum wage for its lowest level of employees. But once it sells them off at bargain rates to Malay individuals, the





School cleaners sending Memorandum to the Minister of Education.

government will lose control over these GLCs. So whose interests are being served by this privatization exercise? These are questions that should be raised and debated by the other leaders of Pakatan Harapan if we wish to avoid policies that favour the Malay elite but adversely affect the Malay B40.

However the PSM agrees that there is a need for ethnically targeted government intervention in the SME sector which still remains the domain of non-Malays. There are many entry barriers in the form of knowledge, technology, sources of components and markets, and Malay business-

men face difficulty in establishing themselves in this sector. The government could help in terms of credit, training and the provision of markets through vendor programs implemented by the GLCs (another reason for keeping GLCs under government control!) and government agencies including the Ministries. But this assistance should come with strict conditions – that it is given to develop capacity in Malay businessmen and will be withdrawn if misused to generate “rental” income through Ali-Baba deals.

Looking objectively at the past 60 years, we haven’t

done too badly as a nation! We have to admit that BN policies have taken us some way along the road towards a more racially balanced society. There are now many more Malays who are graduates, professionals and in the M40 as compared to when we achieved independence. And we are a lot more stable as a society as a result of that. Our rural areas are now better served with roads, schools, water supply and health care facilities, though a lot of work still needs to be done in Sabah and Sarawak. There has been progress, and we should acknowledge it.

If the PH wants to move us further along the road towards a society where economic status and race are not linked, it has to revamp approaches to make sure that all Malaysians in the B40 are recipients of affirmative action, that programs to help the T20 Malays do not disadvantage the B40, that effective programs are implemented to build the capacity of Malay SMEs, that there is a better ethnic balance within the civil service and that neoliberal thinking does not obstruct the creation of a comprehensive welfare net for all Malaysians.

And it is the duty of all of us to find out about the economic problems being faced by the poor from ethnic communities other than our own and advocate for a resolution of their problems. We all need to think as Malaysians if we wish Malaysia to move forward as a harmonious nation.



School contract cleaners protesting outside Ministry of Education, Putrajaya.

Jeyakumar Devaraj

# Addressing poverty: Some steps to ease the problems faced by B20 families in Malaysia

THE PH leaders are keen on being seen as pragmatic and business friendly. There is no doubt that we are part of a globalized economy and that for the medium term, we have to survive in this milieu. But we need to keep reminding ourselves that being too business friendly can, without our intending it to be so, further marginalize and impoverish the poorer strata in our society who, like it or not, are predominantly (around 75%) Bumiputra. And we must not forget that in PRU14, only 15 – 25% of the Bumiputra population voted PH.

If the PH wishes to avoid being a one-term phenomenon, then it has to win over a larger portion of the Bumiputra voters before PRU15. One of the ways of doing so is by paying attention to and resolving at least partially, some of their economic problems.

This brief write-up is to suggest some of the steps that the PH administration might want to adopt to address the problems of the bottom 20% of Malaysian society.

## A. Housing for B20 households

**Housing status** can help us identify the truly poor so that government aid can be targeted more precisely. The following groups could be targeted:

### 1. The urban pioneers (PSM's term for "squatters")

There still exist villages in our towns where house owners do not possess the grants to the land upon which their houses were built. Generally, they are among the poorest in our urban centres – families which can afford will not continue to live in run-down wooden houses which leak in an environment that is poorly maintained and prone to flooding.

These poor families are being forced out by the urban development projects to move into yet another squatter settlement because they are unable to afford a house with an official grant. Many of them cannot afford to buy a house even if it was priced at RM60,000.

There are two ways by which this category of urban poor can be aided :

a. By giving them the grant to the land they are currently occupying. We should then improve the surrounding infrastructure like roads, drainage, rubbish collection etc.

b. By building rent-to-own PPR homes (with a monthly rental of RM120) for the current residents of these peneroka bandar kampungs (regardless of whether they are owners residing in these houses or tenants).

A solution to their housing problem will help stabilise their financial standing and raise their capacity to better provide for the nutrition and education of their children.

### 2. Low-cost flat residents

The conditions in many low-cost flats where a significant number of our B20 live, have deteriorated into "high-rise slums". The system in place governing the maintenance of flats is the root cause for this problem. According to existing law, the flat owners are required to set up a Management Corporation to handle maintenance issues. The families from the M40 households

are able to afford a monthly fee of RM100 or RM200 enabling their Management Corporation to engage the services of a building manager to handle their apartments.

However, low cost flat residents are unable to pay high monthly management fees. Even the low fees charged (RM 30 to RM 60) are difficult to collect as many residents don't have the money to pay. Therefore the Management Corporation is not in a position to procure the services of a Building Manager, but has to manage on their own. Invariably they fail as they are unable to collect sufficient funds to carry out maintenance of the premises and demotivated by the various conflicts that arise from their efforts to maintain the low cost flat.

The way out is to make the local council take the responsibility for the collection of management fees and for the maintenance of low-cost flats under their jurisdiction.

The "township" system that is practiced in Singapore has several features that can be adopted to run the maintenance of our flats.

The existing law has created the position of "Controller of Buildings" within the Local Government. This person has sufficient authority to intervene in the management of any flats which are not being maintained satisfactorily and has the power to delegate the responsibility of maintenance of these flats to the respective municipal or city councils.

The government should

set up a fund to finance urgent repair works in these low cost flats as well as to fund day care centres for children so that more of the mothers can go out to work and supplement the family income. Efforts could also be made to start tuition classes and activities for youth so as to create a more positive atmosphere for the youth living in these flats.

### **3. The Plantation community**

The government must use the Land Acquisition Act to acquire 20 acres of land in every large estate to establish PPR housing scheme (rent-to-buy) for estate workers whose families have labored in the plantation sector industry for more than 20 years. Former workers who have moved out of the estate upon retirement but do not yet own a home can also be offered an opportunity in these PPR schemes. Such PPR schemes must be located as close as possible to main roads and the towns.

### **4. Single mothers**

We (PSM) apply this term to mothers who head a family with at least one child under the age of 18 years old. Women whose husbands who are severely ill and unable to earn a living can also be included in this group. According to government statistics, there are 250,000 single mothers in our country and 60% of them have a monthly household income of less than RM2,000.

A few houses in every PPR scheme developed by the government must be set aside

to be rented out to low income single mothers. When several families headed by single mothers are placed in the same housing scheme, aid such as Child Care Centers and self support groups for the mothers can be implemented.

## **B. Poverty of rural communities**

### **1. Lack of employment opportunities**

Under-employment is a big problem in rural areas. Many people here work part time only – a rubber tapper only needs to tap every other day, and those doing odd jobs work only 2 or 3 days in a week. Hence, it members of this community need more employment opportunities but they are unable to find work because of two main reasons :

*a. The presence of millions of undocumented foreign workers* in this country who are willing to work for extremely low wages. There are about 3 million undocumented foreign workers (whom the government terms as PATI – Pendatang Asing Tanpa Izin) at this point. This is a huge number considering that there are only 6.5 million active EPF members at this point. Contract work in smallholder farms, poultry farms, fish farms etc. are swept up by the said "PATI" undocumented workers who are forced accept any terms set by the bosses.

*b. The tendency of employers running factories and large companies to employ foreign workers (legal) rather than*

local workers. This is because, foreign workers are willing to work 12-hour shifts daily, will not apply for leave due to marriage or death in the family or because their child is ill. Foreign workers are also cheaper to employ because employers are not subject to the contribution of 13% of salaries to EPF. Foreign workers are also easier to control – if they object to the terms of their service, employers only have to identify 2 leaders amongst them, cancel their work permits and send them back to their respective countries – problem solved. The rest will be intimidated into silence!

Factories are required to advertise for local workers before they are allowed to bring foreign workers in. So employers dutifully put up banners regarding vacancies, but send away the locals who turn up to register. Then they report to the Immigration Department that locals are not interested to work for them.

### **Steps to manage the PATI problem:**

i. The recruitment of foreign workers must be implemented through a G to G mechanism (Government to Government) without the intervention of commercial interests. At the moment, the labour recruitment agency earns RM10,000 to RM14,000 for every foreign worker brought into the country.

ii. The right to redress for work place issues must be reinforced. If a worker has issues with the employer and is sub-

sequently terminated because of this, he should be given a Work Permit to seek employment in another company, if he/she has filed a case against the previous employer. The Yayasan Bantuan Guaman should be mandated (with payments from the government – using the levy collected from foreign workers) to represent foreign workers in the labour courts.

iii. Employers who employ undocumented foreign workers should be liable to imprisonment. This law does exist now but is rarely applied on employers. (In my opinion, sentencing errant employers to be whipped, which is also provided for in the law, is too harsh and should not be applied. A prison sentence of one or two month should suffice).

iv. An Amnesty programme for the “illegal” foreign workers should be implemented. However this programme:

- must be implemented by the government and not outsourced to a company because there are many irregularities when this responsibility is delegated to a companies looking to profit.

- must be realistic. Just register the foreign workers to their current employers without restrictions based on economic sectors. The aim of the Amnesty programme is to register all foreign workers so that the PATI issue can be overcome.

- must not impose fines or levy payments that are too high.

### **Steps to create job opportunities in factories**

i. The Labour Office should take a proactive role in registering villagers who are interested in working in factories. A mobile registration unit should visit the pasar malams (night markets) to register villagers.

ii. Factories looking to employ new foreign workers must be required to advertising the vacancies on banners to inform locals. Only when there is no response from locals to their vacancy advertisement, can the factory apply to the Immigration Department to import foreign labour. Two additional conditions must apply:

- a. The said factory must inform the nearest Labour Office of its recruitment drive to allow the Labour Office to disseminate information of the job vacancies to locals looking for factory related employment. The labour office should monitor if locals apply for the jobs and the response from the factories.

- b. Confirmation from the Labour Office that the vacancies advertised did not receive local response, should be made compulsory requirement for any factory applying to the Immigration Department for permission to import new foreign labour.

iii. Public transportation connecting village settlements to factories should be made available to enable villagers to travel to work with ease.

iv. Put an end to forced overtime work. Local workers who want to work for 8 hours



per day should be allowed to do so.

2. Low commodity prices

Two main factors cause this phenomenon. They are:

a. *Supply exceeding demand*. There are hundreds of thousands of smallholder farmers in Asia, Africa and Latin America who struggle to produce agricultural commodities because they are poor and they need bigger revenues.

b. *The oligopoly in the agriculture industry* makes it possible for extremely wealthy buyers to control the value of commodity stocks and suppress it to a very low level. These two factors arise from an international economic structure which makes it hard for a country like Malaysia to campaign for better pricing for rubber and palm oil in the international market.

Ways to tackle this problem:

i. *Paddy/rubber/oil palm production incentives* should be continued to augment the income of smallholder farmers. The incentives for paddy should be maintained over a long period as rice is crucial to the national food security. We need to try and improve our level of self sufficiency in rice production from our current 70% to 100%.

ii. However, we need to try and *diversify away from rubber and oil palm cultivation*. Currently, Malaysia’s self sufficiency in the following food items are more or less

beef	20%
mutton	15%
dairy	15%
vegetables	70%

We also need more fresh-water fish and livestock feed. The agriculture ministry has to find a way to improve our farmers’ capacity to produce food which our people need.

iii. Product dumping during the fruit seasons needs to be addressed effectively. Among the steps that can be taken:

– FAMA has to formulate ways to can local fruits, dry them, juice them, freeze them etc. so they can be kept for off-season sale or even for export purposes.

– FAMA has to spear-head the “forward contract” method where it can enter into an agreement with fruit orchard farmers to buy a certain amount of their harvest at an agreed price. This will give smallholder farmers a guaranteed sale of a portion of their produce.

C. Stateless children

There are 3 categories of children who are stateless.

i. Children whose mothers are not Malaysian citizens and who, at the time of the birth of the child, had not yet registered their marriage to the child’s father. There are thousands of children born to women who are foreign workers (Indonesia, Thailand, Myanmar, Vietnam and India) “married” to Malaysian men.

ii. Children born to Malaysian-born mothers whose citizenship status is uncertain.

iii. Abandoned children who are raised in orphanages. There are hundreds of children who were abandoned by their mothers at a very young age and were raised in orphanage hostels. The orphanage usually registers the child at the NRD and a birth certificate is issued. But because the name of the mother and her citizenship isn’t known, the child’s status will be recorded as “non-citizen”.

Children from the three categories above are from the poorest strata of our society. Failure to get citizenship further marginalises these children because they will find it difficult to enroll in a school or qualify for free medical treatments at the hospitals. When they turn 21 years of age, they will find it difficult to gain employment because without an identity card, they cannot be registered with EPF or SOCSO. As such, they can only be hired as informal workers who are usually hired on contract basis with very low pay. They will not be able to open a bank account or obtain a driver’s licence. When they get married, they will not be able to register their marriage because the NRD will require an identity card or a passport to do so. As such, their children will be recorded as being born out of wedlock. (And if it is the mother who is stateless, the children will also be stateless.) The transmission of poverty from generation to generation thus continues!



**Source of the problem:** Although Schedule Two, Part II, (1) (a) of the Federal Constitution states that *“Every person born within the Federation after Malaysia Day is a citizen by operation of law if one of his/her parents was, at the time of his/her birth, a citizen of Malaysia”*, Section 17, Part III, Schedule Two of the Federal Constitution nullifies this provision for children in categories (i) and (ii) above. Section 17, Part III, Schedule Two states *“references to a person’s parents, or one of his parents, are in relation to a person who is illegitimate, to be constructed as reference to his mother”*.

So, even if the father’s name appears on the birth certificate and both parents confirm to be parents to the child, the child is considered “illegitimate” and thus the child’s citizenship status is only based on his/her mother’s citizenship status. (who, in categories (i) and (ii) is a foreigner).

**The resolution** to the problems faced by children in the 3 categories described above do not require any amendments to our constitution. Clause 15(A) of the Federal Constitution reads, *“the Federal Government may, in such special circumstances as it thinks fit, cause any person under the age of 21 years to be registered as a citizen.”* This gives sufficient authority to the Home Minister to solve the citizenship issue faced by children described in the 3 categories above.

Clause 15 (A) can be

used to draft a new SOP to enable the approval of citizenship of all children born in Malaysia whose fathers are Malaysians, if their father can be identified in the birth certificate record or through a DNA test. Such applications need to be approved at the NRD level without needing the special decision of the Home Minister because that only delays the process.

NRD also needs a new SOP to approve Malaysian citizenship applications to all orphans raised in orphanages from a very young age, even though their parents cannot be identified. The Cabinet can utilize the powers conferred under Clause 15 (A) or Clause 19(2) of the Federal Constitution to draft such as SOP for the NRD. Again the authority to do so should be devolved to the NRD level such that it becomes an administrative decision.

#### **D. Old age pensions**

We can assume that the T20 tier will have saved sufficient funds to care for themselves till the end of their lives. We also know that close to 15% of families in Malaysia are secure with government pensions or benefits from SOCSO.

This means 65% of Malaysians ages 70 years and above do not have savings to help them through their old age. The situation is worse for those who fall under the B40 tier because their children too will be facing financial constraints and be living in compact terrace houses or flats. It’s even more

difficult for the B40 families to care for their elderly parents.

**Our recommendations** – Implement pensions for all senior citizens aged 70 years and above if they are not recipients of any other pensions. If each person in this category is paid a monthly pension of RM300, it will cost the government: 1 million people x RM300 x 12 months = RM3.6 billion per year. It will not be enough for that person to live independently, but it will be a great help to them.

#### **In conclusion**

These recommendations are some of the ways we can immediately start addressing the economic plight of the B20 in our midst. And we should! A new more harmonious Malaysia cannot be built if economic deprivation makes people in the lowest rungs of society apprehensive and thus more susceptible to racial politicking and scare-mongering that some parties are very good at. The very survival of the PH government and the reform process that it is trying to implement beyond PRU15 will hinge on how successfully economic anxieties of the B40 is allayed over the next 4 years. Everyone who wants to see a better Malaysia should keep reminding the PH leaders of this reality!

Jeyakumar Devaraj  
Member of PSM Central Committee  
9 February 2019

# Land grab in Perlis

KAMPONG Seri Kesinai which has about 250 resident families, is situated 4km west of Padang Besar, just south of the border with Thailand. The residents built houses on what was then State Land in the 1970s and 1980s. On the several occasions when they asked the government for grants to the land they were on, they were told to not worry as it was government land and they could stay on it, but not sell it to others. Roads, water and electricity was provided by the government, often in the build up to the General Elections.

In early-2018, 15 residents in this kampong were jolted by a letter from a lawyer that termed them illegal settlers and asked them to vacate the land they were on within a week. It was then that the villagers discovered that their kampong land had been divided into 4 acre lots and either sold or given to non-resident individuals who they did not know. Lot 598 where the 15 residents lived had been given in 1992 to a certain En Wan Hussin who, going by his identity card number is now 89



Meeting at Kg. Kesinai.

years old.

The Lot 598 residents were in a quandary. They approached their local elected representatives and were advised to find a lawyer to represent them. They tried, but lawyers were quoting a fee that was too high – RM20,000. Finally the local ADUN (from the MCA), managed to get them a lawyer who was prepared to help them for a fee of RM5,000. However the lawyer advised them to be prepared to move as En Wan Hussin held the grant to the land, and under Malaysian law, his claim to the land would be difficult to contest.

It was at this point, sometime in early December 2018

that a few of the residents came to Penang to look for PSM together with youth members of a PH party. They met up with Karthi and asked for help. The Penang PSM team felt that we should go and the first meeting with the Kg Kesinai residents was on 17 December at their kampong. We all sat on the floor of their community hall to discuss their situation.

It must have been a bit of a cultural shock to them. Because up till that point all politicians, both BN and PH, had been telling them there is no way to fight the eviction – that they should be happy that the “landowner” was not asking for back rent or for the quit rent for the previous 26 years, etc., and



Another meeting with Kg Seri Kesinai residents.

that they should prepare to move out.

The PSM team took a different tack and asked –

- How many of you have a house other than the one you are staying in now? (none did)

- If the landlord had paid you the RM5,000 per household that you asked for, would you be able to buy a house outside? What are the prices of houses now? (Above RM80,000)

- Did the land office know you were here in the 1970s and 1980s? (Yes, because the government supplied electricity and water.)

- Why would the land office have given the land to an individual who has never been in the kampong? To an outsider, when there are so many families staying on it?

- Sure, the Menteri Besar has the right to alienate State land to anyone he wishes to. That is in the law. But shouldn't he use that power in a way that is good for society? Who gave him the mandate to become the MB anyway?

- Should we go and give the MB a Memorandum about our problem? (So far they had only approached their MP and ADUN). If he does not respond positively could we appeal to the Federal Government? Would our going to the Federal Government put pressure on the MB (UMNO)?

- Have you heard about the Land Acquisition Act? If the present MB finds there was some hanky-panky in the granting of the lot to a third party, he has the power to re-acquire the land.

The Seri Kesinai residents found our line of reasoning different but “correct”. For their underlying feeling had always been that they were being deprived of housing in an unfair manner. But they had not got any authority to support their gut reaction to the situation. For the first time they were hearing people telling them that they had rights and that they should stand up for these. There was discussion, and laughter – one lady in her sixties with bad knee arthritis declared that she was prepared to sit in front of

the bulldozer. The residents decided to push for a better deal.

Our discussion had revealed that their lawyer was working towards a Consent Agreement that the people be given 6 months to move out. That was the best that she felt she could do given the grant was in the Plaintiff's name. We explained to the residents that if they entered

into the Consent Agreement and registered it in Court they would have to keep to the terms of that agreement and move out in 6 months. And if they did not, the “landowner” could get the Court to issue an order to evict them with the help of the authorities.

We accompanied the people to meet their lawyer. She was friendly. (I was relieved – I had feared that she would see our intervention as troublesome interference.) We explained that the residents had decided to bring their case to the attention of the authorities, and that we needed time to do this. But not to go for the Consent Agreement. The lawyer agreed but cautioned that we might be hit with higher costs at the end.

We then went to the Kangar Land Office and procured copies of the adjacent lots, and a pattern emerged. The land in the kampong had been divided into rectangular shaped 4 acre lots and registered under individuals from other parts of Perlis. All these transfers were done in the 1990-1992 period. More than



Memorandum to the Menteri Besar of Perlis.

60 such lots had been given out. More than 500 families affected! Was this a scam? We are still not sure. We have asked the youth from the PH parties to do some asking around.

We found that two of the neighbouring lots had Caveats lodged by development companies. We told the people that this probably meant that these 2 lots were in the process of being sold, and that if they, the residents on Lot 598 were evicted easily, then it wouldn't be long before the residents on these 2 lots faced a similar predicament. We suggested they should let the residents of the

neighbouring lots know.

We went back to the kampong on 27 January for our third meeting with the people. We brought along a memorandum to the Perlis MB for the people to sign. Around 60 people attended the meeting with more than half of them being from the neighbouring lots. We had anticipated this and had brought along a similar Memorandum that the residents of the other lots could take back and collect signatures.

We handed in the Memorandum signed by the 15 families of Lot 598 today (28 January). About 20 villagers came,

handed over the Memorandum to the Political Secretary of the Menteri Besar and explained to him their situation. He promised to call them back. They later fielded questions from the journalists that our friends from the PH parties had invited. Around 6 Special Branch officers

were present to observe and take photographs. They seemed to know who we were.

The residents who came were very happy. We told them that this is just the beginning. We gave them some work to do – setting up a resident's committee, opening a bank account under the name of 3 residents, going to see their local MP (UMNO) and ADUN to pass them a copy of the Memorandum that was handed to the MB today, and to ask their elected representatives to support. We promised that we would come up again for another meeting in 3 weeks or so.

We will walk with the Kg Seri Kesinai people until their problem is settled. With a bit of luck they might be able to win back their land or be given alternative housing. But there are probably many kampong people all over the country who are continually being marginalized by the way in which our society is being run. Shouldn't we all be doing more for them?

Jeyakumar Devaraj  
28 January 2019



Overcoming feudal reticence and developing a consensus.



# Socialism and democracy

Paper presented in *Socialism 2012*.

SOCIALISM has been painted as the antithesis of democracy – and millions of people all over the world believe this untruth. Right wing political propaganda states (among others) that

- A society based on socialism is “unnatural”. It goes against human nature which is individualistic. That’s why Socialist and Communist countries developed into totalitarian states. People had to be compelled to act against their normal human instincts.

- A socialist program therefore will breed dictatorship and an authoritarian government with a repressive political police etc.

- Democracy and a system of checks and balances are only possible in the free market (capitalist) system. Socialism will lead to totalitarianism.

False belief such as these are among the main reason why, despite the ongoing implosion of capitalism in Europe, the majority of the people are not yet decisively moving towards a Socialist economic model.

## **“Withering away of the State”?**

From my (rather Limited)

understanding of Marx, socialism is the period of transition from a Bourgeois State which prioritizes the aims and requirements of capitalist to – Communism, which being a classless society, no longer needs the repressive organs of the state – the police, the military and the prisons – to enforce the will of the dominant class over the other classes.

Socialism is the transitional period in which the State, now under the control of the formerly oppressed classes, reorganizes the running of society based on the principle of solidarity – common ownership of productive assets, production for the need and not for the profit, worker management of production, etc. Socialism is about ending the exploitation of man by man, and for creating the social conditions – the “soft skills” and the culture (the superstructure) that will allow the state to “wither away”.

This brings up a crucial issue – if the State “withers away”, who collects the rubbish, or provides drinking water, or maintains the roads, runs the hospitals? Marx clearly characterizes humankind as a social being – a species that has to live in a community to actualize the potential of each mem-

ber. It is obvious that Marx expected that in Communism, ordinary people acting in solidarity would take up most of the functions of today’s State – worker run production units, community based local councils, needs such as health care and transport coordinated at regional level, etc., – all coordinated and overseen by freely chosen representatives of the public.

In other words, the socialist era is one where the participation of people in their own governance is facilitated and expanded – so as to prepare society for the “withering away” of the state, when socialism reaches its “highest form” – communism! The socialist transition, as envisaged by Marx, is to be a profoundly democratizing process, going far beyond the limited forms of democracy allowed in bourgeois states- we have just witnessed how in the USA, 2 very rich individuals both vetted and approved by the corporate class (who contributed a larger portion of the more than USD2 billion campaign process), were presented to the American public as the choices for President. (We are of course grateful that the more obnoxious one lost!)



## **We have to remove our blinkers!**

We, the minority that still believes in the socialist alternative, have to think straight and strategize intelligently if we want to win over the majority to our course of action. And one of the crucial questions that we have to face with honesty is - why do so many people all over the world think socialism/communism is inherently anti-democratic.

Can that be entirely attributed to right wing propaganda? I think not! People are not that gullible! We have to admit that the “Gulag” existed in the USSR, and that reform movements such as that in the Hungary of 1956 were crushed by the USSR. We have to admit that Khmer Rouge caused the death of almost a quarter of their population in their efforts to “cleanse” their people of “bourgeois” traits and influences. Closer home we have to admit that Communist Parties in South East Asia embarked on a purge of “Deep Penetrating Agents” resulting in the execution of hundreds of party members in Malaysia, Thailand and the Philippines. Our side has provided a lot of ammunition to the right-wing propagandists to spin and exaggerate!

However, to blame all of this on one man (Stalin), and to demonize him obscures the truth. And the use of the term “Stalinist” as an epithet is not of any help! It gives the impression that the degeneration of the socialist experiment in the

Soviet Union is due largely to the personality of Stalin - that the revolution there “fell” into the wrong hands! That distracts us from the very real problems that peripheral countries attempting to move towards socialism will face! Besides it polarizes what is a very crucial debate and creates divisions in our ranks!

The mid 20th century was a time of intense class conflict – precisely the era when there was the need for a strong state to defeat the machinations of the class enemy. Could such a state have been under the democratic control of the oppressed classes? Chavez, in Venezuela, seems to be showing the world that might be possible to pull off. But for a number of reasons, as detailed by Trotsky in the “The Revolution Betrayed”, the Socialist state in the USSR moved in an authoritarian direction and ended up as a “deformed workers’ state”. Among the reasons cited by Trotsky is the decimation of more inspired and revolutionary leaders in the bitter Civil War that took place after the 1917 revolution.

### **Many socialists caught in a time-wrap!**

Unfortunately, many socialist, especially those whose reading of Marxist-Leninist literature far outweighs their grass-root involvement, are caught in a time wrap! Let me give you a test – answers yes or no to the following questions;

1. Do you use the term

“The Dictatorship of the Proletariat”?

2. Would you say “we need to smash the bourgeois state apparatus”?

3. Would your say “the multi-party bourgeois political system is a sham”?

Would your answer to the above 3 questions reinforce or ameliorate the negative perception of the public regarding the totalitarian, anti-democratic nature of the socialist project? If it’s the former, do you really expect them to come on board?

I believe that Socialist should temper the analysis contained in Lenin’s State and Revolution regarding the class nature of the state with the following facts:

- The majority of citizens in the world did not have the right to vote when Lenin wrote State and revolution (1917). In the UK, women did not have the right to vote till 1918, and even then only women over 30 years who owned property could vote. The vast majority of the population of Asia and Africa did not get the right to vote until 1950s.

- Today, the right to vote for one’s government is perceived as a very important political right by an overwhelming proportion of the peoples of the world. And the legitimacy of any government is now premised on winning the mandate from the people in free elections. Even when unpopular governments are toppled by street demonstrations as recently in the Middle East, the regime that takes over has had to call elections to gain legiti-

macy.

- There is currently widespread identification of socialism with authoritarianism and the curtailment of democracy. And this is a major factor holding people back from committing to a socialist program.

- There was a problem with the concentration of power in the Warsaw Pact States – the lack of checks and balances led to the abuse of power, the creation of a privileged elite and institutional corruption. They do say don't they – absolute power corrupts absolutely?

- The Venezuelan example where the poor and the marginalized used the electoral process to capture state power and later defended that state from extra parliamentary right-wing attacks!

Marx's and Lenin view of the state as an instrument of class rule remains true. But the way we choose to handle this reality has to keep with the times! It is now 95 years since Lenin wrote *State and Revolution*. And a lot has happened in those 95 years – our side did make some mistakes, and we have to admit that we lost out in the propaganda war.

### **21st century socialism is the actualization of democracy**

Socialists should take the high ground! We should claim that socialism and democracy are indivisible. That we cannot have true socialism without democracy, nor true democracy

without socialism. We must argue for worker representation in the management of factories, estates and other places of work; we want elected local governments at all levels; we want worker and citizen participation (elected) in all nationalized monopolies such as Health Care, Power Supply, Public Transportation, etc., and we want participatory budgeting (where local communities are given the right to determine the allocation of the budget for their region). We stand for freedom of information, annual declaration of assets by all elected leaders, and provisions for recall of elected leaders midway through their term if they fail to meet certain basic criteria.

We should take the high ground in the debate on democracy, and argue for measures to diminish (if not eradicate) the influence of the corporate sector on elections. Shouldn't the State itself provide political parties funds for the election campaign? – perhaps based on the popular vote received by the various parties in the past 3 elections. Once the State provides the funds, funding from other sources should be disallowed. This will reduce the influences of the corporate sector over political process. We should argue also for balanced media coverage – that the tv channels should host more talk shows where politicians from both governments as well as the opposition appear to present their views on topics of national importance.

Socialists in Malaysia should push for:

- Referendums to settle issues such as the re-nationalization of water in Selangor; the need for an FTA with USA; and the need for nuclear reactors in Malaysia. We should argue that democracy is not confined to voting in the General Elections every 4 to 5 years. The people should be given a chance to participate in the making of key decisions regarding our country's future.

- A system of proportional representations at the Senate (Dewan Negara) which is currently by appointment by the Federal and State Governments. We could propose that 90% of Senate seats be distributed to the various parties depending on the proportion of the popular vote that they obtained at the General Elections. Of the remaining seats, a few should be reserved for the Orang Asli, the Penans and the other Indigenous groups who should be allowed to elect their own Senators.

Finally, we should endeavour to improve the practice of democracy within our organizations – both parties and NGOs – such that ordinary members, new members, women and younger members are given the space to participate in the decision-making processes. There is still an authoritarian tendency with many Left Parties – “I know better of my experience or reading, or seniority – so you better listen to me”.

**Building the new within the interstices of the old**

We will need people to run the institutions that will be set up in a socialist state for example worker management councils in factories, and the town/district councils. We need to have a layer of people who have the skills and attitudes to carry out their duties responsibly, and who can further the empowerment of the ordinary citizen – they need the soft skills to nurture the further democratization of society! We cannot wait for the formation of a socialist state before we start our program to build this new capacity in our people. This capacity, and its supporting culture, has to be nurtured with the interstices of the capitalist society that we are in. It would be our role to widen the spaces that do exist to expand the processes of consultation, collective decision making, and the implementation of the decisions taken.

In short, we socialist have to present ourselves as the true democrats – the people who really believe and practice democracy – the main group genuinely interested in deepening the practice of democracy in our society

Only then can we counter the negative perceptions that the public now has regarding the socialist project and gain the trust of the people. Only then will we able to intervene effectively in the struggle of the masses to protect their interest and reclaim their humanity. And we need to get our act to-

gether fast – for the time we have to avert barbarism is fast running out.

Jeyakumar Devaraj

**Endnotes**

- 1. Using the term “oppressed classes” deliberately instead of the usual “proletariat” because I think we need to re-visit the issue of who exactly is the “revolutionary subject”. In this era of aging capitalism which is unable to generate enough jobs for everyone, those with regular jobs consider themselves fortunate and are hesitant to involve themselves in actions that might jeopardize their jobs. The unemployed, who represents the “proletarianized” in the sense that they have been stripped of the ownership of any means of production, but are unable to get a job are even in more dire straits. These strata of society is more inclined to join the protest movement
- 2. I am not sure of the wisdom of State setting out to own all the burger stalls, the barber shops, market stall etc and attempting to bring even these under central planning. Adam Smith’s market does a pretty good job of regulating production and prices and in allocating scarce resources in a situation when none of producers and distributors enjoy oligopolistic position! Why can’t a socialist economy use the free market for the production and distribution of goods and services for consumers – with appropriate monitoring and regulation.
- 3. A system of prisons and detention centres used for political repression in the Soviet Union
- 4. See Chin Peng’s My Side of History. Page 465 onwards.
- 5. We socialists need to understand

and analyse the real obstacles that we will face in developing an alternative, non-capitalist economy in our countries. We need to brainstorm how we could deal with these.

- 6. Chavez has managed so far to avoid the Salvador Allende’s fate – the political mobilization and empowerment of the poorer strata of Venezuelan Society has been able to counter the extra-parliamentary efforts to the capitalist class to conduct a counter-revolution.
- 7. The evolution of voting rights in the United Kingdom Universal suffrage is a recent victory for the ordinary people

Year	Act	Men	Women
1832	Reform Act 1832	Adult males with land ownership, 1 in every 7 UK could vote.	No vote
1867	Reform Act 1867	All male house-owners	No vote
1918	Representation of people Act 1918	All men aged 21 years and above	All women aged 30 and above who owned property
1928	Representation of People Act 1928	All men aged 21 years and above	All women aged 21 years and above

- 8. Rosa Luxemburg is said to have said “the choices facing humankind are either Socialism or Barbarism”.

# The RCEP is a threat to public health

DESPITE earlier announcements that the negotiations at the Regional Comprehensive Economic Partnership (RCEP) were going to wind up by November 2018, the free trade agreement is still being straightened out. The 25th round of negotiations for RCEP concluded in Bali this February (2019). In this round, investment protection proposals were discussed.

These investment proposals threaten India's ability to ensure access to new medicines. India's stated position on intellectual property rights in the context of free trade agreements, including the RCEP, is that it would not take any legal obligation, which mandates changes to India's intellectual property laws. Consequently, India has reportedly objected to most of the proposals from Japan and South Korea to undertake obligations that go beyond the WTO's agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), especially in the context of patents.

For instance, one such proposal is to extend the duration of the patent term by as much as 20 years, considering the delay in marketing approval



Before: RM300,000 for a 12 week treatment course to cure Hepatitis C. Now with generic drug from Egypt, only RM3,000 for 12 week course.

for medicines. Acceptance of that proposal would give additional years of monopoly to patent holders and delay the competition in the market via the entry of generic medicines. If India were to accept the proposals in the RCEP investment chapter that would represent a significant deviation from its stated position of opposition to TRIPS-Plus proposals.

The objective of the investment protection is to provide protection to investors against the risk of what they may feel are arbitrary actions by host governments. This is

done by creating a provision for compensation through the mechanism of investor-state international arbitration. Investor protection treaties give very broad rights to investors without any corresponding responsibilities. They often undermine the host governments' ability to regulate the actions of investors even for the protection of public interest.

## What has been India's stand on investment protection treaties?

Through the years, India's position on investment protection treaties has been full of contradictions. India, starting from 1995, entered into as many as 84-investment protection treaties commonly known as bilateral investment treaties (BITs). India also undertook an obligation to protect investors' rights under various free trade agreements (FTAs).

But then, after facing 4 to 5 international arbitration disputes seeking huge amounts as compensation under various BITs, India redrew its model BIT and also decided to withdraw from 58 BITs. India has also sent out certain clarifications with regard to the nature

of its obligation within the remaining 25 BITs, so as to reach an agreement and issue a joint interpretative statement in alignment with the 2015 Model BIT.

Under these circumstances, India's willingness to negotiate investment protection provisions under the RCEP, which is contrary to India's model law, is baffling.

### **Why is the RCEP pushing for investment protection?**

One draft of the RCEP investment chapter was leaked in 2015. This document revealed that the definition of investment includes intellectual property rights (IPRs). Thus, the expanded definition of investment would give an opportunity to investors to challenge the measures adopted by host governments, to facilitate access to medicines, on the grounds that they undermine the investment and also enable them to seek compensation from the government through international arbitration.

Even though, there are deliberations to provide limited exceptions to investors' right in order to safeguard public interest such as the issuance of a compulsory license, many other public interest safeguards in the Patents Act can be challenged through the investment protection provisions in the RCEP.

These safeguards include the revocation of patents, refusal to grant patent for nonfulfillment of patentability criteria, refusal of the court to grant an injunction, local work-

ing requirement of a patent and the obligation to submit information on local working of a patent, granting of marketing approval to generic medicines while the patent is in force, price control mechanism and bringing pro public-health changes to laws, policies and rules to facilitate access to medicines. Investors may allege that these measures constitute as indirect expropriation that undermines their investment and may seek compensation from host countries.

In the past, pharmaceutical companies used investment clauses in FTAs to threaten governments against using TRIPS flexibilities. For instance, in 2017 the US-pharmaceutical giant Gilead threatened to use the investor's rights under the US-Ukraine BIT and claimed USD800 billion from the Ukrainian government for allowing the registration of a generic version of Gilead's Hepatitis C drug – Sofosbuvir.

Pharmaceutical corporations can also use several other provisions in the investment chapter of the RCEP such as those on "market access", those requiring "fair and equitable treatment", "expropriation" and "prohibition on performance requirement" to threaten host governments.

In 2010-2011, a Canadian court revoked two new-use pharmaceutical patents (of drugs Zyprexa and Strattera) of Elli Lilly for lack of utility. In response to the invalidation of its patents, Elli Lilly initiated an investment dispute against Canada under the North American Free Trade Agreement

(NAFTA). The Company argued that it faced unfair and inequitable treatment due to the revocation of its patents. Even though the arbitral tribunal dismissed the pharmaceutical giants' claims and awarded 5 million Canadian dollars for costs and legal fees, the Canadian government had already spent over 15 million Canadian dollars in attorney and expert-witness fees in this five-year-long battle.

The exorbitant damages and legal costs incurred for defending the public policy measures often create a chilling effect and prevent developing country governments to initiate measures to protect public health interests. What is more annoying and appalling about investment disputes is that a third party – the foreign investor – gets to question sovereign functions.

Investment treaties have been known to have extremely adverse effects on access to medicines in developing countries. India must be cautious while negotiating investment provisions in the RCEP, given the likelihood of such agreements to significantly compromise the government's ability to protect the public interest and use TRIPS flexibilities. It is important that India maintain consistency in its negotiating positions to ensure that its resistance to TRIPS-Plus provisions in the RCEP is not eroded under the investment chapter.

Prathibha Sivasubramanian  
Researcher associated with the  
Third World Network (TWN).  
18 March 2019



# Don't recycle lame excuses to delay local Council elections

THE Socialist Party of Malaysia (PSM) is deeply disappointed and disturbed by the statement of Prime Minister Dr. Mahathir Mohamad, who has said yesterday that government will not be implementing local council elections as they may lead to race-related conflicts in the country. This lame excuse has been recycled over and over again to deny the right of the rakyat to select their representatives at the very basic level of the government.

The Prime Minister is clearly turning his back on his own cabinet ministers with this irresponsible statement, especially the Minister of Housing and Local Government, YB Zuraida Kamaruddin who has committed to restore local elections within 3 years.

The excuse that local elections may lead to ethnic conflicts (used by the top leaders in the government) demonstrates that the ruling elites are still refusing to break away from the ethnic politics of the previous regime. Until when will our politicians keep employing the menace of ethnic conflicts and hinder our efforts

to achieve a truly democratic and just society?

As for the alleged race-related conflicts that may arise if the composition of elected local representatives does not reflect the actual proportionality of ethnic groups, or if one ethnic group dominates a local council, there are ways to overcome it if the government is serious in bringing about institutional reform. The introduction of proportional representation system in local council elections, will help to produce results that reflect the actual choices made by the electorates. Assuming the electorates are voting according to ethnic-lines, the representatives in the local councils will be proportionate to the demographic ratio according to ethnicity.

Another possible voting system that can be introduced in local elections, is to have three member Group Representative Constituencies, although there are some shortcomings of this system. In a multimember Group Representative Constituency, it can be stipulated that every team of 3 candidates must have at least

one female candidate, one Malay and one non-Malay candidate to ensure gender and ethnic balance.

The best way to reduce tensions, would be for the government and politicians to end racial politics, including using excuses derived from racial politics to postpone political and social reforms that will benefit the masses all of ethnicities.

Local elections are very important to lay out the foundation for a healthy democracy in the era of Malaysia Baru. Only by restoring democratic local elections, will we have more accountable and responsible governance at local level, and this will serve as the stepping stone to further promote participation of the ordinary people from all walks of life in the democratic political processes that would shape a better future for everyone.

Stop racial politics! Local democracy now!

Choo Chon Kai  
PSM Central Committee Member

# Stop the double-speak regarding affordable housing

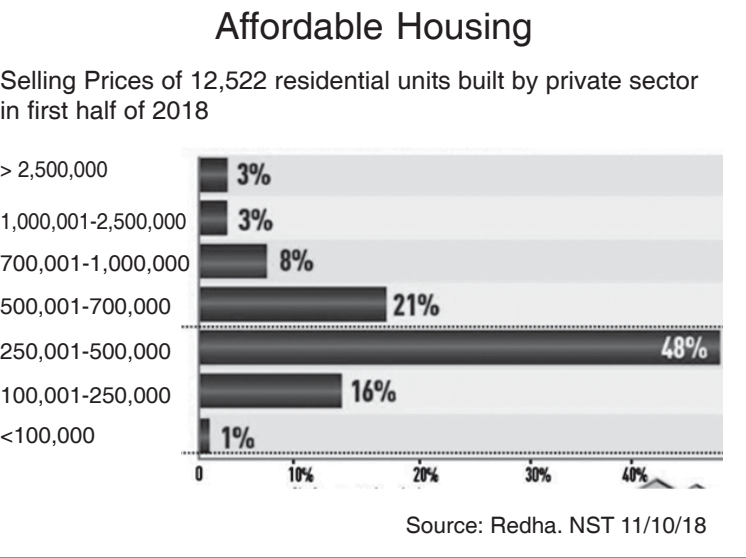
The term “doublespeak” originates in George Orwell’s book *Nineteen Eighty-Four*. As Orwell himself describes it –

*In our time, political speech and writing are largely the defence of the indefensible ... Thus political language has to consist largely of euphemism, question-begging and sheer cloudy vagueness ... the great enemy of clear language is insincerity. Where there is a gap between one’s real and one’s declared aims, one turns as it were instinctively to long words and exhausted idioms, ...*

It appears that our Pakatan Harapan leaders are now getting the hang of this trick and are using it to mask the inadequacies of their efforts to deal with the housing problem.

The root of the problem is that the Government has left the provision of housing to private developers in the naïve but mistaken belief that private companies attempting to maximize their profits will somehow result in the most efficient mode of providing houses to Malaysians in the B40 and the M40. This has resulted in the over-provision of higher end residential units and a severe under-supply of housing units that people can truly afford.

The PH Government’s



response to this problem is to resort to Doublespeak –

– Houses priced RM200,000 to RM400,000 are touted as being “affordable”

– The three year annual income rule is taken to indicate affordability. In other words, if the house price is equal to or less than 3 times ones annual salary, it is “affordable”.

– So since the median household income is about RM5,200 per month or so, houses priced RM200,000 are “affordable”.

Hello, the median household income is the income of the family on the 50th percentile. What might be affordable for that family will definitely not be affordable for a family on the 20th percentile! An in-

telligent standard six student would be able to tell you that “affordability” depends on the financial situation of the family. How come our PH leaders are so confused on this?

Is it that difficult to divide our population into quintiles on the basis of their income and then ask ourselves what kind of housing that each quintile can afford – that they can pay for without having to compromise on basic needs – food, education, health care, etc? (Remember Dr Muhammad Khalid’s study that revealed 17% of children in PPR flats were undernourished? We certainly not push even more children into that situation by burdening their parents with home loan payments that they cannot meet

without scrimping on food and other essentials!)

Lets first start with the second lowest quintile – these would be those on the 21st percentile up till those in the 40<sup>th</sup> percentile in our income graph. The richer half of the B40! Their incomes would be between RM2,500 and RM4,300 per month, and for those in the private sector it might not be that stable as it would depend on over-time and the status of the economy. How much would they be able to afford to put aside as payment of their housing loan? Would RM700 a month be “affordable” for them? If so then the houses that they could buy would have to be RM90,000 or lower – assuming a 25 year loan repayment period.

This immediately raises a serious question – can private developers provide houses at this price? I am informed by developer friends that the construction cost of a 20 by 40 foot unit would be about RM90,000 inclusive of infrastructure but not of land value, conversion and financial holding costs. So how?

Our intelligent standard six student will be able to surmise that there has got to be some subsidy for houses for the second lowest quintile so that they do not have to deprive themselves and their children in the struggle to meet mortgage payment. Where should that subsidy come from? This merits a closer, dispassionate look – If we insist that the developer cross subsidizes by selling the other units more expensive so



Low cost flats.

that he can subsidize the houses for the second lowest income quintile, which quintile would we be burdening? Not the top quintile, for they will be buying their mansions elsewhere. In actual fact we will be passing the burden to the second and third richest quintiles – those from the 41st percentile to those in the 80th percentile – the M40. I am not wholly against this, but is it fair to pass all of the subsidy load to them?

Our richest 1% who live in their luxury homes, and who probably own homes and apartments in Australia or in London – what part to they play in the cross subsidy mechanism in our housing market? I would wager many of this top 1% also escape paying taxes as they probably have clever accountants who teach them little tricks to hide their wealth in a variety of ways.

For the above reasons, the PSM position is that the housing for the second poorest quintile will have to be subsidized and that the major part of the subsidy should come from

the government. The State governments can play a role by discounting land premiums for the land being used for housing for the B40. The Federal Government also must play a role by making sure the top 1% do not evade their tax obligations and use this tax income to subsidize housing for our B40.

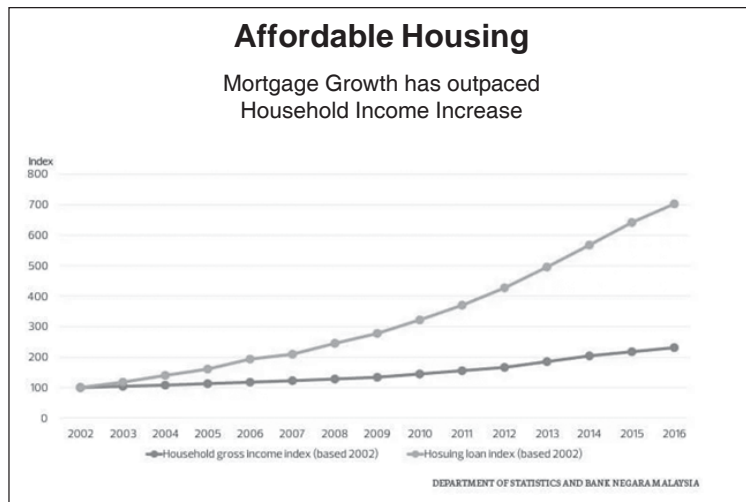
Let's now turn to a more difficult problem – housing needs of the poorest quintile – those earning less than RM2,500 per month. Many of these families will be headed by single mothers. A sizeable number will have dysfunctional husbands who are on drugs, alcohol or in prisons and detention centres. Asking them to put aside RM600 to pay towards their bank loan would be cruel!

The PSM position is that the families in the bottom most quintile are not in any position to buy a house, and it would be extremely unkind to push them into that position. They should be provided houses (PPR scheme) at a nominal rent of perhaps RM100-RM150 per month. It would be ideal if the

housing estates or flats where they are provided units have day-care centres run by the government to look after their children when their mothers go out to work. There should be also community spaces where voluntary groups can come and give tuition of other services. The children of the B20 are at particularly high risk of dropping out, under-achieving and tending to delinquent behaviour. It would make a lot of sense to intervene early and break the inter-generational cycle of poverty. Even on purely economic terms, it would be much cheaper. Obviously it is the right thing to do from a moral point of view!

How many PPR schemes are we talking about right now? It's important to know the size of the problem. According to government statistics, house ownership in Malaysia is about 70%. In other words, 30% of Malaysia's 7.5 million households do not own their own houses. That works out to – hold on to your seats – 2.25 million households!

Which quintile do you reckon these families would belong to? Do you know anyone in the top quintile who does not have a house of his/her own? Yes, I am afraid that the majority of the 2.25 million Malaysians who do not own houses will be in the B40 group – or the poorest 2 quintiles. But no one is asking the government to settle all of them in PPR schemes within a year! Perhaps it should be spread over the next 5 to 7 years. But what's important at this stage



is to size up the problem and see how the resources of the nation can be mobilized to address it in such a way we enhance the solidarity among our people and improve academic performance and human capital. We really believe that it is a very beneficial investment!

While we are number-crunching, we must also take into account that every year there are around 200,000 marriages in our country – this means there are 200,000 new family units starting out. Very few of them will be in the top two quintiles at the outset. Even if both husband and wife are graduates they will probably be in the middle quintile – the poorer half of the M40. The majority will be the 2 lowest quintiles. They too will need subsidized homes.

So in summary then, the government has to do the following

- Accept the fact that housing for the B40 cannot be left to the market.

- Build 300,000 PPR houses a year in proper locations to provide for the more

than 2 million families in the B20 who are desperate for houses.

- Subsidize the private sector such that the private sector provides another 100,000 houses annually at prices below RM90,000 per unit to families in the second lowest income quintile.

- Form committees at State level to ensure that the housing projects for the B40 are holistic in terms of siting, connectivity, basic amenities like clinics and schools, and wholesome with enough spaces for child care, community activities and play.

- Work with other countries in ASEAN and further afield to ensure that the richest 0.01% pay their fair share of taxes. This is a most crucial step, for otherwise we will be unfairly burdening the honest among our richest quintile who are compliant with their taxes.

If the Pakatan Harapan can start initiating these measures, then perhaps there will no longer be any need for obfuscation or double-speak. And how liberating that would be!



## YB Lim Guan Eng, please listen to us

YB Lim,

THIS is our third letter to Yang Berhormat regarding the RM2 billion contribution from Great Eastern Company. Unfortunately until now we have not received any response from YB although we have requested through our letters dated 25 November 2018 and 17 December 2018 for an appointment to meet and discuss this important matter with you.

Our purpose in delivering this letter is to elaborate some points that outline our stance on health insurance and to request once again for an appointment with YB to discuss this matter in more depth.

**1. The Malaysian Government should avoid promoting the development of the existing Health Insurance System within our country.** Because of the existing Insurance System

- is offered by private companies with the motive of making profits for their shareholders;

- the premiums are based on the health status of each individual covered (risk rated);

- offers many differing levels of coverage (depending on the premium paid);



MySalam Launch.

- has a high administrative cost;

- and will marginalize further 70% of the lower income citizens of this country.

So it is important to make sure that the RM2 billion donated by an insurance company is not used in a way that drives Malaysians to become customers of private insurance companies.

2. If our country decides to use insurance to cover the cost of medical treatment for our people, the health insurance system should be reorganised to be a **“Social Health Insurance System”** where

- it is single payer, and is implemented by a non-profit

Institution, similar to EPF or Socso;

- contributions are not based on individual health profiles but are “community rated” where contributions are a fixed ratio of each household income;

- coverage is comprehensive and covers all treatment currently available at Government Hospitals.

**3. At this point, even a Social Health Insurance System will not bring benefits to our country** because

- Our B40 income is low and one more deduction (maybe 8% of their salary) will be an additional burden on them;

– There are about 1.5 million families with low income, working in the rural sector - farmers, tappers, fishermen, FELDA settlers, etc. In addition, there are 1 million micro businesses in our country. In addition, more than 3 million EPF contributors currently earn less than RM2,000 a month. The government would have to pay the insurance premiums for all these groups, and the amount will probably be more than the health allocation now.

4. The funding of the Public Health System at this point is by the “capitation” method whereby one provision (RM28 billion for 2019) is used to cover all the costs of treatment given in Government hospitals and clinics. The insurance system will switch to a payment system where every treatment, procedure and operation will be calculated and charged to the health fund (the “Fee-for-service” method) and the cost of treatment will increase! Currently our country is spending RM55 billion a year for all health costs in our



Memorandum to LGE regarding MySalam.

country (taking both public and private into account). The Social Insurance System with the “Fee for Service” method will increase the total cost of treatment to RM100 billion or more. **The Health Insurance system will not save cost for the Federal Government!**

5. There is a high probability that the Social Insurance System will drive private hospital development and further weaken public hospitals as a result of accelerated migration of specialists to the private sector. This will have a negative impact on our people in the East Coast, in Sabah and Sarawak as well as in rural ar-

reas in the West Coast. Currently only the government system provides medical services in the rural areas and in much of the East Coast.

Because of all these facts, the decision to expand health insurance should be discussed in-depth among all stakeholders before any final decision is taken.

**6. The RM2 billion fund donated by the insurance company can be used to alleviate the burden of public sector patients who are required to make co-payments in the form of screws and plates for orthopedic surgery, lens for cataract surgery, stents for angioplasty and many other implants that now need to be purchased by patients treated at government hospitals.**

There are several other related issues that we would like to discuss, and we hope we can get an appointment to meet and discuss with YB.

Thank you .

PSM Central Committee  
24 January 2019



## Drug mules are soft targets. We should address the root causes

### A system that perpetuates disparity, desire and then disowns you

JESSIE (not real name), 23 years old went missing for days. The family was clueless. Suddenly, they received a call from Hong Kong. Yes, Jessie called from a prison. She had been arrested at the airport because her companion had drugs and her companions belongings were found in her luggage. So, both had been arrested. Drug was found in a perfume container. Jessie needs help. She had no knowledge about why she is being detained. She was sent to Hong Kong to sell honey, by a local person involved in 'honey businesses. Apparently the person is known to the police. When the family tracked the man down with the details provided by Jessie, he was of little help. Jesse is all alone, very far away from home, unable to communicate in a foreign language and information from the Hong Kong authorities about her imprisonment is scanty. Probably Hong Kong is still better than Malaysia and Singapore that practice capital punishment for drug trafficking, extremely punitive. I believe you still remember the case of Prabu Pathamanathan<sup>1</sup>. Malaysia does the same to foreign mules detained in Malaysia, and sen-



tences them to death<sup>2</sup>. **The punishment DOES NOT fit the crime.**

Critics question the death penalty's deterrent effect. The Golden Triangle, where Myanmar, Laos and Thailand meet geographically, still produces one-quarter of the world's heroin, and the cultivation of opium poppies has increased every year since 2006, according to the UN Office on Drugs and Crime. Southeast Asia is also at the centre of the methamphetamine trade. "It's intellectually laughable to suggest that the arrest and execution of low-level drug mules will have any effect [on the drug trade]. They are immediately replaceable by any number of similarly stupid young people, too many of whom have been my clients"

said Julian McMahon, an Australian lawyer who has worked on death row cases in the region for more than a decade.<sup>3</sup>

In 2017, around 1 in 5 of Hong Kong's total prison population were persons from other countries. Also in 2017, 19% of all sentences were drug related (including possession and trafficking of dangerous drugs).<sup>4</sup> Twenty-three Malaysians were caught as drug mules in Hong Kong alone last year, the Malaysian federal police's Narcotic Crimes Investigations Department deputy director Zulkifli Ali was quoted as saying by Malay Mail online news on Sunday (3 February 2019). Mr Zulkifli was quoted by Bernama news agency in December 2018 as saying 425 Malaysian drug mules were detained by the authorities in 19

countries between 2013 and October last year. He said Singapore recorded the highest number of Malaysian drug mule arrests, with 175 people languishing in its prisons.

### **So why on earth would a person take such a risk?**

International drug syndicates are using social networking sites like Facebook to recruit young Malaysian women as drug mules, officials say. The Malaysian foreign ministry has said young women are being offered money and gifts by men who befriend them on the internet.<sup>5</sup> Some information found in the internet says, the average payment for a Mule is US\$3,000 and US\$5,000 per trip which, in poor countries is a LOT of money. For some, this is equivalent to three years' salary! Not every poor person becomes a mule but the numbers are growing. The myth versus reality about drug mules<sup>6</sup>:

#### ***Myth reality***

Drug Mules are the wealthy fat-cats of the drug business.

Drug Mules do this for the money

*Drug Mules are desperate people taking desperate and stupid measures*

Drug Mules deserve the severe sentences they are receiving

*Being a Drug Mule is the single most stupid thing a person can subject themselves to.*

*Drug Mules do not deserve the barbaric torture they are experiencing. They need re-*

*habilitation! They need our support. We must do something!*

### **Why the drug business is thriving?**

#### **Supply**

Opium bans were issued especially in Myanmar (1990s) and Laos (2000s) to reduce production. The ban was implemented before alternative livelihoods had been promoted, developed and made viable.

The very survival of millions of poor farmers was threatened. Opium production is targeted as a cause of problems such as criminality, corruption and addiction, among others, rather than being conceptualized as a consequence of prior problems, such as poverty and low availability of physical, financial and human assets. The causes of opium poppy cultivation are therefore ignored and but are made more acute by heavy handed measures targeting farmers. Such a misunderstanding explains in large part why supply reduction has never been successful.

The failure of drug supply reduction – and of ever-increasing consumption in countries of origin, transit and destination – has resulted in the escalation of international efforts aimed at curbing drug trafficking. At the 33rd Association of Southeast Asian Nations (ASEAN) Ministerial Meeting in Bangkok in 2000, ministers called for a drug-free ASEAN by 2015. A regional framework called ASEAN and China Co-operative Operations in Response to Dangerous Drugs, or ACCORD, was launched. Al-

though seizures in the region have increased, this is due, not to improved counter-trafficking measures, but rather to increased production of both opium and methamphetamine. No significance success has been achieved as insufficient effort has been put to build good governance, political stability, the rule of law and control of corruption.<sup>7</sup>

#### **Structure**

A drug lord, drug baron or narcotrafficker is a high ranking crime boss who controls a sizable network of people involved in the illegal drug trade. Such figures are often difficult to bring to justice, as they are normally not directly in possession of something illegal.<sup>8</sup> A drug cartel is any criminal organization with the intention of supplying drug trafficking operations. The basic structure of a drug cartel is as follows:

- **Falcons:** the “eyes and ears” – the lowest rank in any drug cartel. They are responsible for supervising and reporting the activities of the police, the military and rival groups.
- **Hitmen:** The armed group within the drug cartel, responsible for carrying out assassinations, kidnappings, thefts, and extortions.
- **Lieutenants:** The second highest position in the drug cartel organization, responsible for supervising the hitmen and falcons within their own territory. They are allowed to carry out low-profile murders without permission from their bosses.

Other operating groups



within the drug cartels include, among others, the drug producers, suppliers, financiers, money launderers. Drug Mules are near the bottom of the 'food chain' in the drug business.

### Strategy

Tom Wainwright, the Britain editor of the Economist and the author of *Narconomics*, describes his book, as a business manual for drug lords and also a blueprint for how to defeat them. When it comes to battling the cartels, Wainwright says governments might do better to focus on controlled legalization rather than complete eradication of the product.

During the three years he spent in Mexico and Central and South America, Wainwright discovered that the cartels that control the region's drug trade use business models that are surprisingly similar to those of big-box stores and franchises. For instance, they have exclusive relationships with their "suppliers" (the farmers who grow the coca plants) that allow the cartels to keep the price of cocaine stable even when crop production is disrupted. "The theory is that the cartels in the area have what economists call a 'monopsony,' [which is] like a monopoly on buying in the area," Wainwright says. "This rang a bell with me because it's something that people very often say about Wal-Mart."<sup>9</sup>

### Drug and Capitalism

Taking drugs is a form of consumption. But what is the difference between the con-

sumption of drugs like cocaine, heroin, crack and amphetamine and the consumption of more ordinary things like chocolate, cheese, music and films? The enjoyment achieved by the consumption of drugs is not due to their perceptual taste, smell, sound, colour, etc. Instead they are consumed for the sake of their psychoactive properties. Being addicted to coffee has only local consequences for a very limited part of your life, while an addiction to heroine colonizes your entire being. The relationship between drugs and consumption capitalism is a very ambivalent one. On the one hand there is a very clear opposition between drugs and capitalism. The opposition is clearly manifested in the brute fact that drugs like cocaine and heroin are simply illegal. You are not allowed to possess them and certainly not to trade them. The resistance towards drugs in our society is so strong. This indicates how drugs have been characterized as one of the basic "evils" of society.

On the other hand, there is a certain homology between the use of drugs and the ideology of consumption in contemporary capitalism. In a society, where we are constantly bombarded with offers and demands of enjoyment, the drug user should be regarded as a "saint" insofar as he puts his entire existence into the effort of achieving ultimate enjoyment. The drug is not just one product among others. It is a product the consumption of which implodes the desire for other products. The product to end all products<sup>10</sup>.

Socio-economic factors such as poverty and the lack of economic opportunities as well as changes in the environment (cultural, economical and physical) contribute to the drug epidemic. Long working hours, low wages, lack of job security, high unemployment among young people, poor universal health coverage, increasing mental health issue, high living cost, lack of adequate system/infrastructure/social security for healthy human development and disempowered local communities are the underlying causes. These are what we need to address to make progress in arresting substance abuse and crime.

Letchimi Devi  
PSM Central Committee  
21 April 2019

### Endnotes

- 1 <https://www.thesundaily.my/archive/malaysia-citizen-prabuhanged-spore-today-drug-trafficking-conviction-BUARCH586683>
- 2 <https://www.bbc.com/news/world-asia-44234506>
- 3 <https://www.aljazeera.com/indepth/features/2015/06/executing-drug-dealers-southeast-asia-150622060018374.html>
- 4 <http://nomasmulas.com>
- 5 <https://www.bbc.com/news/world-asia-pacific-11897963>
- 6 <http://www.lockedup.co.za/what-is-a-drug-mule-and-why-do-people-do-this>
- 7 <https://www.worldpoliticsreview.com/articles/10442/southeast-asias-thriving-drug-trade>
- 8 [https://en.wikipedia.org/wiki/Drug\\_lord](https://en.wikipedia.org/wiki/Drug_lord)
- 9 <https://www.npr.org/2016/02/15/466491812/narconomics-how-the-drug-cartels-operate-like-wal-mart-and-mcdonalds>
- 10 <http://sites.middlebury.edu/drugs/files/2011/09/Bjerg-Drug-addiction-and-capitalism.pdf>

## We are not prisoners of our genes, or fate

MAN is, at one and the same time, a solitary being and a social being. As a solitary being, he attempts to protect his own existence and that of those who are closest to him, to satisfy his personal desires, and to develop his innate abilities. As a social being, he seeks to gain the recognition and affection of his fellow human beings, to share in their pleasures, to comfort them in their sorrows, and to improve their conditions to life.

The personality that finally emerges is largely formed by the environment in which a man is happens to find himself during his development, by the structure of the society in which he grows up. The abstract concept "society" means to the individual human being, the sum total of his direct and indirect relations to his contemporaries and to all the people of earlier generations.

It is evident, therefore that the dependence of the individual upon society is a fact of nature which cannot be abolished-just as in the case of ants and bees. However, while the whole life process of ants and bees is fixed down to the small-

est detail by rigid, hereditary instincts, the social pattern and interrelationships of human beings are very variable and susceptible to change.

Memory, the capacity to make new combinations, the gift of oral communication have made possible developments among human being which are not dictated by biological necessities. Such developments manifest themselves in traditions, institutions, and organizations; in literature; in scientific and engineering accomplishments; in works of art.

Man acquires at birth, through heredity, a biological constitution which we must consider fixed and unalterable. In addition, during his lifetime, he acquires a cultural constitution which he adopts from society through communication and through many other types of influences. It is this cultural constitution which, with the passage of time, is subject to change and which determines to a very large extent the relationship between the individual and society. Human beings are not condemned, because of their biological constitution, to annihilate each other or to be

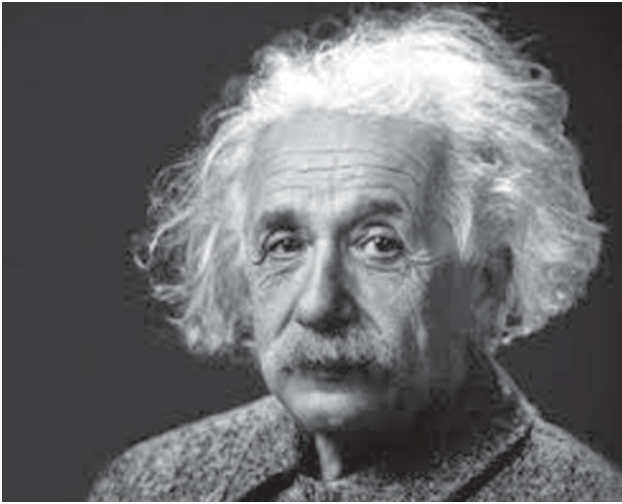


Albert Einstein.

at the mercy of fate.

The essence of the crisis of our time concerns the relationships of the individual to society. The individual has become more conscious than ever of his dependence upon society. But he does not experience this dependence as a positive asset, but rather as a threat to his natural rights, or even to his economic existence. The economic anarchy of capitalist society is the real source of the evil.

The means of production-that is to say, the entire productive capacity that is needed for producing con-



**Concern for man and his fate must always form the chief interest of all technical endeavours. Never forget this in the midst of your diagrams and equations.**

**It has become appallingly obvious that our technology has exceeded our humanity.**

sumer goods as well as additional capital goods—may legally be, and for the most part are, the private property of individuals. Private capital tends to become concentrated in few hands. The result of these developments is an oligarchy of private capital possessing enormous power which cannot be effectively checked even by a democratically organized political society.

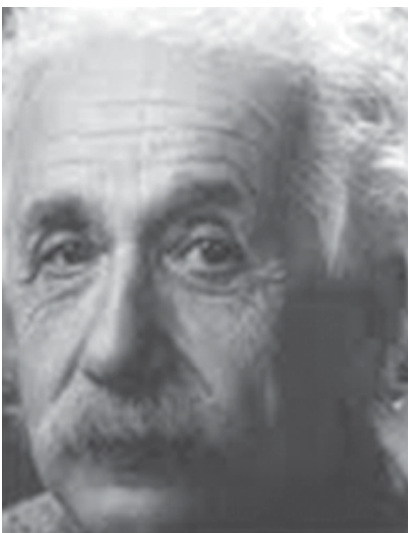
Private capitalists inevitably control, directly or indirectly, the main sources of in-

formation (press, radio, education). Production is carried on for profit, not for use. Unlimited competition leads to a huge waste of labour, and to the crippling of the social consciousness of individuals. I am convinced there is only one way to eliminate these grave evils, namely through the establishments of a socialist economy, accompanied by an educational system which would be oriented towards social goals.

In such an economy, the means of production are owned

by society itself and are utilized in a planned fashion. A planned economy which adjusts production to the needs of the community, would distribute the work to be done among all those able to work. The education of the individual, in addition to promoting his own innate abilities, would attempt to develop a sense of responsibility for his fellow men in place of the glorification of power and success in present society.

Albert Einstein



**Man is at one and the same time, a  
solidary being and a social being.**

**— Albert Einstein —**

**AZ Quotes**

# Venezuela's Crisis: A view from the Communes

*Federico Fuentes* explores grassroots communal organisation, and the tension between popular power and sectors of the government.

WITHIN hours of Venezuelan opposition leader Juan Guaidó calling for street mobilisations to back his attempted military coup against President Nicolás Maduro on April 30, Guaidó's supporters had looted and set fire to the headquarters of the Indio Caricuao Commune in south-west Caracas.

The building was used for local residents' meetings and housed a commune-run textile enterprise, which funds projects in the community.

Atenea Jiménez, from the National Network of Comuneros (commune activists) said: "Once again attacks on the communes by fascist sectors have begun."

She also noted however that comuneros "are facing persecution by sections of the government", in reference to the March 23 arrest and 71-day long detention of 10 comuneros who occupied a state-owned rice processing plant in Portuguesa state. The occupation denounced the fact that private management who were hired to run it refused to work with local producers.

"Why is this occurring? Because the commune is the only space that disputes power ... it is one of the few, genuine, self-convened spaces for building direct democracy," she said.

## Grassroots power

Venezuela's communes seek to bring together communal councils that encompass 200–400 families in urban areas and 20–50 families in rural areas, to tackle issues such as housing, health, education and access to basic services in the local community. Decisions about problems to prioritise and how to tackle them are made in citizen's assemblies.

The idea of the commune is for local communities to take on bigger projects and become self-sustaining through enterprises owned and run by the community.

Former president Hugo Chavez viewed the communes as the fundamental building blocks of a new communal state based on self-management and participatory democracy.

According to the Ministry of Communes, there are currently more than 47,000 registered communal councils and close to 3,000 communes, though many of the activists I spoke to on my visit to Venezuela in March said they believed the number of genuine communes and councils was less.

Jimenez explained: "The comunero movement involves communes that have been con-

solidating themselves over the past 10 years."

During this time, "new communes have emerged, interesting advances have occurred and, of course, there have been communes that have fallen by the wayside.

"But the communes remain active and have achieved a very interesting level of political and ideological consolidation – and a determination to continue advancing.

"What we have is the consolidation of 10 years of work and a strength based on the knowledge that there are problems, but that together we can resolve them through self-management."

## Self-management

Gsus Garcia, from the Altos de Lidice Socialist Commune, which unites seven communal councils high up on Caracas' hillside in La Pastora, explained that the commune came about because "local community councils realised they shared the same problems, but on their own they would not be able to resolve them."

He added that the commune "is not simply about getting together to resolve problems, we want to go beyond that to build genuine self-government."



While Garcia acknowledges that Chavistas (Chavez supporters) have been at the heart of the creation of the communes, Altos de Lidice Commune also includes residents who oppose Maduro.

“There are many who are discontented, there is a lot of opposition. And yet they involve themselves in the dynamic of the commune; they don't reject it, they accept it and little by little they understand that, together, we can do more.

“They see that if we don't come together, both of us will suffer. So we have to have patience and understand each other.

“I have been surprised by the level of patience. I think that in any other country, with everything that has happened this year and last year, that country would have exploded.”

In the nearby 23 de Enero neighbourhood, the Panal 2021 Commune, involving eight communal councils and about 3600 families, is an example of the kind of local self-government many comuneros envisage.

Cucaracho, an activist with Panal 2021, explained that the commune began with activists raising funds through raffles and activities. The commune passed through a period of co-management, receiving state funds for projects, and was now self-managed.

Panal 2021 has its own bakeries, a textile and sugar packaging plant, and a food storage and distribution centre. Proceeds from these communally-run enterprises are deposited in a communal bank, with citizen's assemblies deciding how funds are redistributed for community projects.

The ability of Panal 2021

to generate its own revenue, as with most of the communes that exist today, has been key to its ongoing existence. With the onset of the economic crisis, the state has largely stopped handing over funds to local communities.

Julian from the Bolivar and Zamora Revolutionary Current, a radical grassroots current within the PSUV (United Socialist Party of Venezuela), believes this has had an impact on the level of community organising. “When the government funded projects, it created certain expectations and encouraged participation, as people felt their problems could be resolved.

“But given the strong rentier culture that exists, what has happened is that many have said: ‘If we don't receive anything, then we can't do anything’. In those cases, community councils largely limit themselves to administering the distribution of government services such as gas bottles in their community.

“The error was that the focus was put on promoting initial participation while less attention was paid to helping build the capacity of communities to self-organise.

“Those communes that are most active today are the ones that don't have much to do with the government and the [PSUV] doesn't control them.”

## Tensions

Producing and distributing food to meet community needs in times of crisis has become a priority for many communes, including in Caracas.

Panal 2021 has linked up with communes in the countryside to bring food to the city

and sell it at much cheaper prices than private supermarkets.

Jimenez said many communes are doing the same, “There are systems for the exchange of food and services between communes, which function with different levels of complexity but which have been improving.”

Despite – or perhaps because of – its importance, food production and distribution has been a key point of tension between the state and the comunero movement.

Several years ago, the National Network of Comuneros handed over a proposal to Maduro for the creation of a nationwide communal enterprise for food production and distribution.

The idea was that all the communes and campesinos could distribute their produce via a system controlled by the people rather than private intermediaries, to ensure cheap food reached those who needed it.

Jimenez explained: “Our vision for the enterprise was that everything produced in the countryside needs to be distributed and not lost, and that only after this should we import what we cannot produce – not the reverse.”

Instead, the government initiated the Local Committees for Food Distribution and Production, commonly known by their Spanish acronym, CLAPs.

Jimenez notes that despite “the P – for production – being in its name, those that are producing, the campesinos and comuneros, were not included” in the process of forming the CLAPs. Instead, these committees are largely controlled by

local PSUV officials and “everything that is distributed through the CLAPs is imported.”

Jimenez said this meant “putting to one side the organisations that exist because they’re more difficult to control, because in a commune a proposal has to be debated in an assembly, whereas with the CLAPs you can simply tell people what to do”.

In practice this has meant that in many communities the CLAPs have surpassed the communes as the focus of community organising, according to Julian. “It’s not that the other structures don’t exist, it’s that the most dynamic structure is the CLAP because access to food is the most important issue for many.

“In some cases, the CLAPs have weakened the communes and I believe that this has been deliberate because the CLAPs respond to the party, but the communes don’t.

“The party has never played a key role in promoting communes and communal councils, with the exception that in a few places; the party has concentrated more on electoral issues, on government.

“There is a conception that the comuneros are in permanent conflict with the party, with the local mayor or governor, due to the very dynamic of the communes, which are based on the idea of self-government.

“Comuneros have proposed the transfer of responsibilities from municipal councils to the commune to allow people to begin to self-govern.

“This has created a tension between the comunero movement, on one hand, and the party and local government officials on the other, who don’t want to transfer responsibilities such as rubbish collection in Caracas, because in many cases for them it’s a business.

“I believe the conclusion the party came to with the CLAPs was that it had to create and control them. They could not control the communes because of their democratic, contestational, irreverent nature, but they could designate who ran the CLAPs.

“The strong rentier and clientalist culture that exists meant that people gravitated towards the CLAPs, which were being funded and supported by the government, and converted the CLAPs into the centre of organising in many places.”

### **Love-hate relationship**

Summing up the situation, Garcia said: “The state doesn’t have the ability to resolve all the problems, given the current mess, but people are trying everywhere to resolve their issues.

“And yet one of the big problems that the government has is that it’s difficult for it to cede space, it doesn’t want to let go of the reins, so that the people can solve their problems.

“So what exists is a love-hate relationship between the government and the commune.

“Even with all its weaknesses and failures, it’s our state, it’s our government. At the same time, we have a relationship in which we have to

struggle. We’re not going to deny that.

“There are things that don’t get to us that we need to produce food, at a time when we are importing almost all the food we need. But instead of helping, the state puts up all these bureaucratic hurdles, when all we’re trying to do is to guarantee that people have food and deal with the situation of children with malnutrition.

“We are clear, however, that only with this government can we do what we are doing with the communes. In another government, we would not have this possibility, much less with the type of right-wing government Guaido wants to install with his coup.”

Regardless of what happens next in Venezuela, Julian believes that the strong level of community organisation built up over the past two decades will not go away easily. “There’s still a lot of strength, a high level of organisation. Wherever you look, you will find a commune, a cooperative, some kind of committee or organisation.

“If [the government] was to fall, that organisation will still be here; this huge spirit of participation will still exist, and it will be a problem for any government that tries to dismantle it.”

The views expressed in this article are the author’s own and do not necessarily reflect those of the Venezuelanalysis editorial staff.

Federico Fuentes  
National Executive Member Socialist Alliance, Australia.

# Surveillance capitalism and the struggle for socialism in the 21st century

Paper presented at *Socialism 2018*, Kuala Lumpur.

*Abstract:* Marxism provides us with an emancipatory vision of a utopia that realises the full potential of humanity. It locates our humanity within our purposive intervention in nature, with tool-making and agriculture that has powered humanity's long trajectory; from development of knowledge, culture, and technology, to our uncertain present. The duality innate in the process of production is that we not only produce tools and products for consumption, but also produce ourselves. In this process, we have also enslaved large sections of our society and created a dangerous world. How do we organise under such conditions? What should be our relationship with science and technology? Do we seek to control their development or look at how they should be used? Is it even feasible to stop the growth of knowledge and productive forces? These are some of the questions this paper proposes to raise on discussions about our challenges in the 21<sup>st</sup> century and our socialist future.

*"Utopia lies at the horizon. When I draw nearer by two steps, it retreats two steps. If I proceed ten steps forward, it swiftly slips ten steps ahead. No matter how far I go, I can never reach it. What, then, is the pur-*



Prabir Purkayastha.

*pose of utopia? It is to cause us to advance."*

*– Eduardo Galeano*

## Humanity, tool-making, and nature

Marxism provides us the direction towards this utopia, a utopia that realises the full potential of humanity, an emancipatory vision of our future free from exploitation. For this to happen, a vision is not enough. This is what distinguishes a Marxist understanding of socialism from that of the utopian socialists. Marxism also helps us understand what constitutes our humanity and locates this within nature. We are shaped by nature and have created tools that increasingly shape nature. It is this vision of nature and society that led Engels to look at nature dialectically and that led Marx to study technology and its relationship with capital. For Marx and Engels and later, Lenin, philosophy, history, and politi-

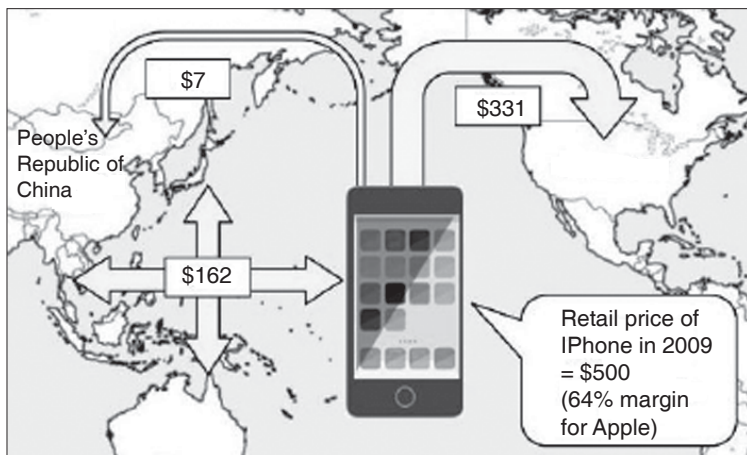
cal economy were integrally linked to the understanding of nature, its laws and constraints, and with the development of productive forces.

The vision of creating a socialist society and a socialist woman/ man cannot be divorced from understanding nature, and the tools that we have created for production that change nature – both, the nature external to us and the nature that is us. Our humanity does not arise, as idealists would have us believe, in innate human nature. If we have an innate human nature, we have that in common – or at least 98% of it – with our close first cousins, the chimpanzees. It is our ability to create tools that makes us different from the rest of the animal kingdom. This ability to create tools is not simply a question of picking up a stone and using it for a specific purpose. Inherent in this tool making process is the ability to understand raw material, understand how it can be shaped, and shape it for a specific function that increases our power over nature. We can now not only appropriate from nature, but also shape it to fulfil our needs. From palaeolithic to neolithic tools, and the dawn of agriculture, we have moved from mere appropriation from

nature to purposive intervention.

This purposive intervention does not simply produce tools and products for our consumption. It also produces the social relations of production – our relations to the tools, our relations of exchange, etc. Human production and consumption has been social from the very beginning of our tool-making enterprise. We not only produce artefacts, but also social relations and society in which we are individually embedded. This is the duality of the human production process: we are also the products of the process of production. The difference between a technological determinist approach and a Marxist one is that we do not consider the process of technological development an autonomous one from social forces. We create our future consciously, though not as we please. There are constraints of social forces, our productive forces, within which we conceive our socialist future. To quote Marx<sup>1</sup>, “Men make their own history, but they do not make it as they please...”

The development of agriculture 10,000 years back – the great neolithic revolution – provided us with the first surplus, the surplus that forms the basis for classes. The class division between the classes that produce the surplus, and the classes that appropriate it, is a consequence of this surplus. It freed a certain section of the people from the task of daily production. While it enables the development of classes, and therefore some classes to be



only parasitic on the labour of others, it also creates the possibility of creating knowledge, advanced tool making, agriculture, music, myth, poetry, and much of what we call culture.

### Rise of capital and the working class

We will pass over the long period of pre-capitalist development to enter the age of capital and the industrial revolution. In his analysis of capitalism, Marx looks at both these aspects of production: the various elements that went into creating the capitalist mode of production, but also what it did to the human relations.

As a technologist, I am amazed by Marx’s study of the technology that went into creating the industrial revolution. He outlines, in detail, how capitalism broke down the then existing forms of production into its elements, integrated the skill of the craftsmen in the machines, and added the motive power of steam to create the industrial revolution. This made for a quantum change in production. As Marx writes in

the Communist Manifesto, “The bourgeoisie, during its rule of a scarce one hundred years, has created more massive and more colossal productive forces than have all preceding generations together.”

On the genesis of capital, Marx is quite clear-eyed. The origin of the industrial capitalist is located in plunder, slave trade and genocide. That is why Marx states, “Capital comes dripping from head to foot, from every pore, with blood and dirt.”<sup>2</sup>

From agriculture to the industrial revolution lies a span of almost 10,000 years. The capitalist epoch, starting with the industrial revolution, is a scant 300 years; within this period, capital’s hunt for an ever expanding surplus has continuously revolutionised production. Marx notes that in this process, capital converts every human relation into a monetary relation, to be bought and sold in the market.

The industrial revolution produces not only the capitalist class but also its antipode, the working class. The proletariat fought against its enslavement



ment, creating the working class movement, the eight-hour day, and public infrastructure, both physical and social. The working class and its struggles led to the 1917 October revolution, and the formation of the first workers' state. The national liberation struggles in colonies drew inspiration from the Bolshevik revolution. Revolutionaries all over the world, such as Bhagat Singh and Ho Chi Minh among others, were inspired by the Bolshevik revolution. This inspiration, as well as the physical support to liberation struggles provided by the Soviet Union, helped decolonise the world.

The welfare state and the newly independent states of the 20<sup>th</sup> century were not gifts from the bourgeoisie as the liberals would have us believe. It was the result of hard fought struggles of the working people that led to the welfare states in many capitalist countries, and the newly liberated states in the former colonies.

Many of us had hoped that the trajectory of socialism would be a continuous one, leading to the defeat of capital by the global proletariat and its national contingents. Post Second World War, the Chinese revolution and the Vietnamese revolution were examples – we thought – of this straightforward march of history. Unfortunately, history is never linear, or without its ups and downs. Why did we think that our future would be either easy or a linear unfolding of the past? And why did we think that it would not require us to face new challenges and think anew?

### **Precarious working class and capital's new enclosures**

The fall of the Soviet Union, the end of the socialist block in Eastern Europe, the growth of state capitalism in China, Vietnam and North Korea, and the weakening of the working class movements in the 21st century have created new challenges for the working class movements.

The 21st century is changing capitalist production in new ways. The vertically integrated factories are giving way to de-scaled and de-centralised production. The development of information technology has made possible the integration of the entire supply and delivery chain – from raw materials, components and sub-assemblies, assembly, and delivery to the market – under the tight control of capital, without bringing them under the same roof as earlier. An Apple does not own a factory where its Macs and iPhones are produced, or where their components are produced. It owns the intellectual property, controls the supply chain and the Apple brand that allows it to receive almost 90% of the surplus and a cash reserve of \$285 billion in 2018. This is 21st<sup>st</sup> century capitalism, in which the biggest company<sup>3</sup> – by market capitalisation – in the world produces nothing, and yet controls the production of high valued goods from which it derives its massive surplus.

Source: Inomata, Satoshi (2013): "Trade in Value Added: An East Asian Perspective",

ADB working paper series, ADBI Institute

With the break-up of the factory floor and the decentralisation of production, struggles waged on the factory floor are no longer the dominant part of the working class movement. A significant section of the working class unions today come from the informal sector. An Apple can move from one supplier to another. It can even move into different countries without losing its ability to supply its products to the market. As a consequence, we now have the new phenomena of transient labour, or what some are calling the *precariat*.

The growth of Google or Facebook in the 21st century has converted our social relationships into mineable data. The data mining of our social relationship allows us, the users of Google or Facebook, to be diced into small segments or demographics to be sold to advertisers, financial companies and other entities. This is what Dallas Smythe<sup>4</sup> termed as the audience commodity. We are not consumers of Google and Facebook, but products to be sold for targeted advertising. All our interactions on the internet are converted into mineable data and stored for future processing. This development, termed by scholars<sup>5</sup> as surveillance capitalism, has also created a nexus between the US government and the digital monopolies, and created a system of global surveillance. The Aadhaar platform is modelled on this fusion of state surveillance and data monopoly, built out of state funds. The fa-

cade is better targeting of welfare benefits, but the real goal is mass collection of our data, for the use of big capital and the state.

Capital has continuously expanded its domain by creating new enclosures. Starting with primitive accumulation of capital, enclosing forests and common land, it went on to enclose knowledge as intellectual property through copyright, patents, industrial designs, etc. Today, capital is enclosing our social relations as data; not simply our personal data, but the data of all our social exchanges, as a commodity.

It is striking that capital wants the finite resources of the globe – our water and air for instance – to be treated as infinite and turn them into the dumping ground of all effluents and emissions. Poisoned water, floating islands of plastics in the oceans, and global warming comprise the consequence of this unbridled greed of capital. At the same time, capital treats knowledge that is capable of being copied or used infinite times, as a scarce resource that needs to be protected from ‘overuse’ by intellectual property rights.

The third great on-going enclosure today, is the conversion of our data – not simply personal data, but the data of all our social exchanges – into a commodity. This is surveillance capitalism. The 21st century is seeing the rise of big data – the combination of collecting huge amounts of data from the internet and the ability of these companies to mine this data

using ‘artificial intelligence’. I am referring to artificial intelligence here in inverted commas, as machine intelligence is not sentient intelligence, which is a combination of different algorithms, with self-awareness, and driven by genes to multiply itself as an organism. Artificial intelligence is a set of rules derived out of past data and programmed rules. These algorithms are not simply pre-programmed rules, they may also be adaptive, meaning they have the ability to change and modify their rules based on the data.

The expansion of capital using data as the new oil brings out the simple fact that there is no terminal crisis of capital. Unless the working class seizes power, capital will always find new ways to expand, by incorporating non-capitalist forms of commodity production<sup>6</sup> and exchange. It can convert into commodity, material that was in the commons, or even that which did not exist as a commodity before. For example, our personal data was not a commodity before the rise of the internet and the new digital monopolies.

The combination of this ability to use and create rules, along with collecting yottabytes<sup>7</sup> of data, and mine it using these rules, has created new digital monopolies such as Google and Facebook. It has also created the nexus between the governments and the digital monopolies, Google and Facebook are as much a part of the NSA and its global surveillance<sup>8</sup> as telecom companies such as AT&T, and Verizon

were and continue to be. All the things we do on the internet – our digital footprints – are collected and stored, not only for everyday use, but also for long-term surveillance of dissent.

Coupled with this ability to surveil people globally, capital now has tools to change the behaviour of people at scale. This is what Zuboff<sup>9</sup> calls behavioural surplus – the ability to extract a surplus by changing our behaviour. If peoples’ behaviour can be changed at scale, so can their political beliefs and acts. We enter into the brave new world of mind control, far more potent than the older coercive models.

While the digital technology companies are visible as the new global monopolies, we should not lose sight of the older more traditional monopolies, such as agricultural business or chemicals and pharmaceuticals. Monsanto in seeds and agrochemicals, and Bayer in chemicals and pharmaceuticals, are now proceeding towards a merger. It is a recognition that new technologies in food, agriculture and medicine will come from the advances in biological sciences. Biological sciences in the first half of the 21st century are poised to be what communications and computers were for the second half of the 20th century.

The recent advances in genomics open out a completely new vista of bio-engineering our future. It is possible to have crops that are pest resistant, drought resistant, combine different traits, and even boutique crops that can be grown for small segments with

specific tastes. It is also possible to think of a future bio-factory that produces chicken, mutton or beef, not from life stock, but from vast vats fed by nutrients. Even creating designer babies with specific traits is no longer science fiction.

So what do the advances in biological sciences portend for farmers and livestock growers all over the world and for us as consumers? How is biotechnology changing our foods, our children, our health? How do we face the social and ethical choices that such technologies pose?

### **Questions before the working class today**

There are sections of the left and progressive movements that argue that certain kinds of knowledge and technologies create risks for humanity and that such advances need to be stopped. I would argue that such an approach is not feasible. Neither knowledge nor technology comes in discrete parts, so you can take one and discard another. They come as an integral whole. This is the reason that we have the unhappy nomenclature of 'dual use technology'. Taken to its logical conclusions, almost every technology is dual use. The same technologies that gave us Bt cotton, can also save crops from drought, address birth defects, and tell us about the history of our migrations. If we can cure birth defects through genetic interventions, it also may mean that we can create designer babies. The

same internet and computational power that creates the possibility of access to knowledge and communication also create the instruments of mind control and surveillance capitalism.

This phenomenon is why technology denial regimes are easy to bypass. For example, the technology for creating industrial diamonds is the same as that used in hydrogen bombs. Chemical weapons can be made from every day chemicals; the recent novichok controversy reminds us of this simple truth.

For knowledge, the issue is even more difficult. If we try and stop advances in knowledge in one area, the advances in adjacent areas will negate any such ban. Worse, there are unexpected connections in nature, and a sudden discovery of such a connection between two disparate areas will make such bans obsolete. The question, thus, is not one of holding back or halting certain kinds of knowledge or technologies, but what use we can make of such technologies.

On the other end of the spectrum, are those who believe that technological advances will automatically bring a utopia of plenty. The votaries of this argument are confronted by two unhappy truths. The first is that while new automation technologies have made it possible to produce all that we need – food and other material needs – with a fraction of the workforce, we as humanity are in the process of converting the bulk of population into a permanent under-class, with a few

super rich controlling the world aided by a small well-paid work force, as the 'intellect workers' or labour aristocracy.

The second is that the same advances that have created conditions for plenty, have also created the potential of the destruction of humanity; or at the least, human civilisation. From global warming to nuclear winter, all of these are now distinct possibilities.

Is a society that condemns the majority to a subsistence and a precarious one, either desirable, or even sustainable? How do we control these forces of dysfunctional development? By banning science and technological advances? Or by deciding, as a society, how we should use science and technology and what kind of society we want?

How does the working class respond<sup>10</sup> to these challenges? Yes, we have had movements that have fought against monopoly over knowledge. The battle over TRIPS/WTO is very much a part of this battle. So was the fight for free software, an attempt to free software from copyrights and patents. But how do we fight the new data/digital monopolies and surveillance capitalism that is enclosing our social relations as data? Or the new genomic ones that are enclosing the building blocks of life – our genes – as private property? What are the new forms of struggle that we have to adopt for the battles of the 21st century, considering the new terrains over which this battle must be fought? How do we fight today when the vertically

integrated factories are giving way to decentralised production and a dispersed workforce? How do we draw in the new class of intellect workers into the working class movement? These are also the challenge of the working class movement today.

It is purposive intervention, starting with agriculture that has powered humanity's long trajectory – from development of knowledge, culture and technology to our uncertain present. Our humanity cannot be separated from our ability to produce. The duality innate in the process of production is that we not only produce tools and products for consumption, but also produce ourselves. In this process, we have also enslaved large sections of our society and created a dangerous world. The processes that have created our humanity have also led to our enslavement and endangered our future.

Any emancipatory agenda must address this duality of production and enslavement. Some social scientists<sup>11</sup> argue that science and technology have led to the enslavement of humanity, and a vision of emancipation has to come outside of it. They fail to understand that any emancipatory agenda has to address this fundamental nature of our humanity. Our humanity is as much a product, as the things we consume or build.

This is not a techno-determinist argument. We do not need to see technology as some kind of genetic material that creates a particular kind of society. The dynamic of creating

technology and new society must go hand in hand. The future we envision must address both of these: the society we want, and the production system we need, for such a society. Our ability to create a new society cannot be divorced from the larger task of building a society that addresses what it will produce, and how it will produce. Not just goods, but the system of production that also produces the new socialist woman and man. The system of production of goods cannot be divorced from the vision of future human society, or of the new socialist woman/man.

Yes, science and technology, or the productive forces will not automatically build socialism. But no socialist society can be built without science and technology. This is the challenge before the working class movement today.

Prabir Purkayastha

Head of Research Unit of CPI-M  
and Editor of Newsclick.in

## Endnotes

- 1 Karl Marx, 18th Brumaire of Louis Bonaparte
- 2 *Karl Marx, Capital*, Volume 1, Chapter 31.
- 3 It is instructive to note that today the five largest companies in the world by market capitalisation are digital monopolies.
- 4 Dallas Smythe, Communications: Blindspot of Western Marxism. Canadian Journal of Political and Social Theory, Vol.1, No.3, 1977
- 5 The whole issue of Monthly Review, July-August 2014, Volume 66, Number 3 is devoted to surveillance capitalism. In addition,

Nafees Ahmed, has written a series of articles on the relationship between Google, CIA and NSA. Two of these are: <https://medium.com/insurge-intelligence/how-the-cia-made-google-e836451a959e> and <https://medium.com/insurge-intelligence/why-google-made-the-nsa-2a80584c9c1>

- 6 Rosa Luxemburg deals with the issue of non-capitalist forms and its relationship with accumulation of capital (Rosa Luxemburg: Accumulation of Capital), which a number of others have also used. Here, it is important to note that enclosure of data and social relations is today providing an expansion of capital by drawing into commodity relations something that was not earlier a commodity.
- 7 1 yottabyte is 1024 Zettabytes, 1 zettabyte is 1,024 Exabytes, 1 Exabyte is 1,024 petabyte, 1 petabyte is 1,024 terabyte, 1 terabyte is 1,024 Gigabyte, 1 Gigabyte is 1,024 Megabyte.
- 8 Snowden's revelations have brought out the relationship between the US telecom majors, the digital monopolies and the NSA in the open.
- 9 Shoshana Zuboff, The Age of Surveillance Capitalism: The Fight for a Human Future at the New Frontier of Power, to be released in September, 2018; The Secrets of Surveillance Capitalism, <http://www.faz.net/aktuell/feuilleton/debatten/the-digital-debate/shoshana-zuboff-secrets-of-surveillance-capitalism-14103616.html>
- 10 I have attempted to address some of these issues in my essay in Red October: The Russian Revolution and the Communist Horizon, (Ed), Vijay Prashad, Leftword Books, 2017.<sup>11</sup> I would argue that Ashish Nandy, Vandana Shiva and Shiv Vishwanathan, who identify "modernity", with western science and technology, are essentially treating the problems of capitalism, as if they are problems of science and technology. For them science, or "western" science, not capitalists, has enslaved humanity.



## The Left needs a narrative of hope and progress

IT'S a perplexing question: why has so little changed since 2008? If your recall is a little hazy, 2008 was the year the world woke up to a banking crisis of epic proportions, a crisis born of blind faith in market wisdom and an utter lack of public oversight. But in a bizarre twist, the parties who benefited from the bust were the conservatives (the people who glibly told voters it was all the government's fault) and the xenophobes (who blamed it all on terrorists and immigrants, who steal our jobs but are too lazy to work).

So why isn't the left coming up with some real alternatives? There are volumes to be written about this conundrum, but I'd like to venture one simple explanation: the eternal return of underdog socialism.

It's an international phenomenon, observable among legions of leftwing thinkers and movements, from trade unions to political parties, from columnists to professors. The world view of the underdog socialist is encapsulated in the notion that the establishment has mastered the game of reason, judgment and statistics, leaving the left with emotion. Its heart is in the right place.

The underdog socialist always has his or her back against the wall. Warily they watch the neoliberals, the multinationals and the Eurocrats advance, but can't bring themselves to do much more than whimper: "Come on guys, do we have to?"

An MP from the Flemish Green party recently asked me: "Yes, but isn't the government deficit too high?" She stared in disbelief when I answered that the deficit was actually too low. Jeremy Corbyn still hasn't offered any convincing vision that resonates beyond his most devoted fans.

It seems as if leftists like losing – as if all the doom and atrocities mainly serve to prove them right. Meanwhile, the Socialist party in France and Germany's Social Democratic party are moving farther towards the middle of the road. In my own country, the Netherlands, the vacuous governing social democrat party seems to believe it will be able to inch its way up the polls if only the economy shows some limited growth. "The left has failed to come up with ideas that are economically sound and politically popular beyond ameliorative policies such as income trans-

fers," the economist Dani Rodrik recently wrote.

The underdog socialist has a surfeit of compassion and finds prevailing policies deeply unfair – seeing the achievements of the 20th century crumbling to dust, and rushing in to salvage what he can. But when push comes to shove, the underdog socialist caves in to the arguments of the opposition, always accepting the premise upon which the debate takes place. "National debt is out of control, but we can make more programmes income-dependent ... Fighting poverty is terribly expensive, but it's part of being a civilised nation ... Taxes are high – but each according to his ability."

Reining in and restraining, that's the sole remaining mission of the underdog socialists. Anti-austerity, anti-privatisation, anti-establishment: one is left to wonder, what are underdog socialists actually for? Time and again, they side with society's unfortunates: poor people, dropouts, asylum seekers, disabled people and the discriminated. They decry Islamophobia, homophobia and racism. Meanwhile, they obsess over the proliferation of "rifts" dividing the world into

blue-collar and white-collar, poverty and wealth, ordinary people and the 1%, and vainly seek to “reconnect” with a constituency that has long since packed its bags.

But the underdog socialists’ biggest problem isn’t that they are wrong. They are not. Their biggest problem is that they’re dull. Dull as a door-knob. They’ve got no story to tell; nor even the language to convey it in. Having arrived at the conclusion that politics is a mere matter of identity, they have chosen an arena in which they will lose every time. And too often, it seems as if leftists actually like losing. As if all the failure, doom and atrocities mainly serve to prove they were right all along. “There’s a kind of activism,” Rebecca Solnit remarks in her book *Hope in the Dark*, “that’s more about bolstering identity than achieving results.”

One thing Donald Trump understands very well is that most people prefer to be on the winning side (“We’re going to win so much. You’re going to get tired of winning.”) They resent the pity and paternalism of the good Samaritan. The always-impending apocalypse – whether the next financial crash or unavoidable climate disaster – is not a great motivator.

What the underdog socialist has forgotten is that the story of the left ought to be a narrative of hope and progress. By that I don’t mean a narrative that only excites a few hipsters who get their kicks philosophising about “postcapitalism” after reading some dead-

ly dull tome. The greatest sin of the academic left is that it has become fundamentally aristocratic, writing in bizarre jargon that makes clichés seem abstruse. If you can’t explain your ideal to a fairly intelligent 12-year-old, it’s probably your own fault. What we need is a narrative that speaks to millions of ordinary people. It all starts with reclaiming the language of progress.

Reforms? Hell, yes. Let’s give the financial sector a real overhaul: hike those buffers, carve up those banks, and give those tax paradises a run for their money. And after that, let’s reinvent the welfare state and eradicate poverty for good – now that’s an investment that will pay for itself.

Meritocracy? Bring it on. Let’s finally pay people according to their real contributions. Waste collectors, nurses and teachers would get a substantial raise, obviously, while quite a few lobbyists, lawyers and bankers would see their salaries dive into the negatives. If you want to do a job that hurts the public, go right ahead. But you’ll have to pay for the privilege.

Innovation? Totally. And who better to get us started than history’s biggest venture capitalist: government. Almost every groundbreaking innovation is financed by taxpayers, after all: every sliver of fundamental technology in your iPhone (capacitive sensors, solid-state memory, the click wheel, GPS, internet, cellular communications, Siri, microchips, and the touchscreen) was invented by researchers on the

government payroll.

Efficiency? That’s the whole point. Think about it: every pound invested in a homeless person returns triple or more in savings on care, police and court costs. Just imagine what the eradication of child poverty might achieve. Solving these kinds of problems is a whole lot more efficient than “managing” them.

Cut the nanny state? Spot on. Let’s axe those senseless reemployment courses for the out of work, quit drilling and degrading benefit recipients, and put paid to the biggest paperwork proliferator in the western hemisphere: the unleashing of “market forces” in health care.

Freedom? It’s what the left has dreamed of all along. As we speak, 37% of Brits are stuck in “bullshit jobs” that even the people doing them consider meaningless. It’s high time we all got the freedom to strive for our full potential. How? Universal basic income.

But first, the underdog socialists will have to stop wallowing in their moral superiority. Everyone who reckons themselves progressive should be a beacon of not just energy but ideas, not only indignation but hope, and equal parts ethics and hard sell. Ultimately, what the underdog socialist lacks is the most vital ingredient for political change: the conviction that there truly is a better way.

• *Rutger Bregman is the author of Utopia for Realists: The Case for a Universal Basic Income, Open Borders and a 15-hour Workweek*

## Marta Harnecker 1937-2019



PSM members with Marta Harnecker at a Socialist Alliance Conference in Sydney, 2017.

“WE need a left that realizes that being radical does not consist of raising the most militant slogan or carrying out the most extreme actions – with which only a few agree, and which scare off the majority – but rather in being capable of creating spaces for the broadest possible sectors to meet and join forces in struggle. The realization that there are many of us in the same struggle is what makes us strong; it is what radicalizes us. We need a left that understands that we must obtain hegemony, that is to say, that we have to convince instead of imposing. We need a

left that understands that, more important than what we have done in the past, is what we will do together in the future to win our sovereignty – to build a society that makes possible the full development of all human beings: the socialist society of the twenty-first century.”

Marta Harnecker was a Chilean sociologist, political scientist, journalist and activist. After studying with Louis Althusser in Paris she returned to her native Chile in 1968 and joined the Socialist Party of Chile. In 1973, after the coup d’état led by General Augusto Pinochet she was forced into

exile in Cuba. There, she founded the research institute Memoria Popular Latinoamerica (MEPLA) and continued to write. Harnecker published over 60 books to date including *The Basic Concepts of Historical Materialism*, *The Left after Seattle*, *Rebuilding the Left*, and *Ideas for the Struggle*. Her latest book is entitled *A World to Build* and it was published in English in January 2015.

Her books discuss how the Left in the 21st century needs to escape from dogma and re-apply Marxist principles to “change the world”.

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