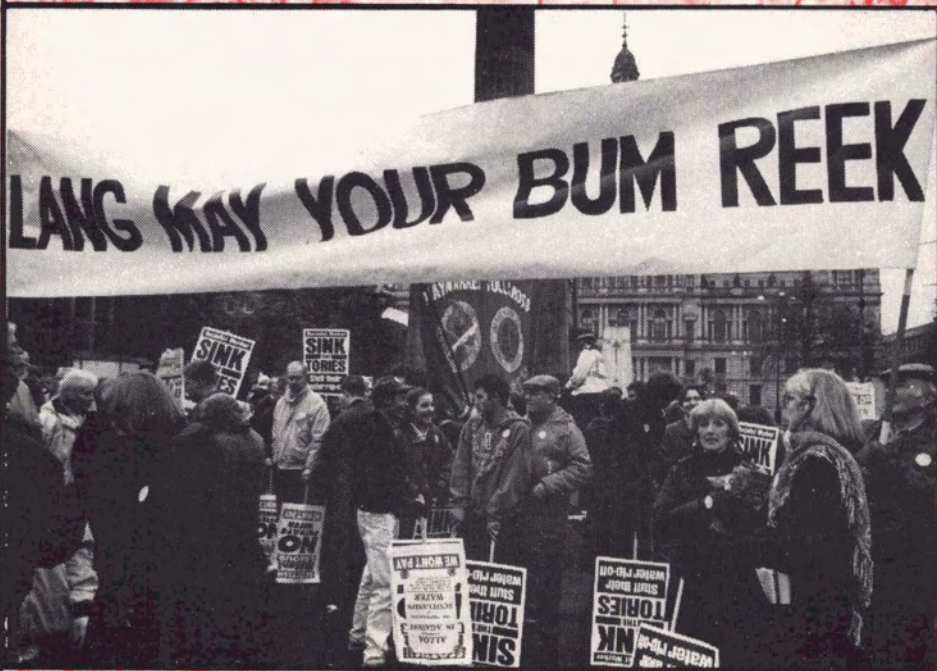


COMMON SENSE

Journal of Edinburgh Conference of Socialist Economists



- SCOTLAND'S WATER CRISIS
- THE FREEING OF MARX
- INTERNATIONAL RELATIONS
- NEW SOCIAL SUBJECTS TODAY
- REVIEWS: 'THE LONDON HANGED'
& 'SABOTAGE IN THE AMERICAN WORKPLACE'

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After the Flood

THERE have been many worrying reports recently on a potential water shortage worldwide. In Britain where one would think that water is in an abundant supply, the southern region say that July 1991 to January 1992 have been the driest ever, and records go back more than 100 years.

The areas worst effected are in the south east of England and East Anglia because half the water supply comes from groundwater, natural underground reservoirs which depend on winter rainfall to keep them topped up. In summer, rain tends to evaporate before it becomes groundwater.

Some areas of Britain are not short of water; either because they have a high rainfall or less demand from private consumers, industry and farming. It is not, however, considered viable to transport water over long distances, though adjoining water companies do cooperate with each other with water transfer schemes.

Probably we all use far more water than we really need to in our homes, and there are ways we can cut down. This will be good practice for the future when we may be paying for our water according to how much we use.

IN THE KITCHEN

Washing machines account for about 12% of the total water we use in and around our homes. To make the best use of the gallons needed for a wash cycle, collect a full load or, if your machine has one, use the half-

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load button. If you are replacing a washing machine, check out the manufacturer's information on water consumption before you buy a new one. This can vary from 16 to 25 gallons to wash a nine to 11 pound load on a hot cotton wash programme.

Older designs of machines keep clothes wet by submersing them in a lot of water. Newer designs recycle smaller amounts of water using built-in sprays or scoops. Automatic sensors on some models adjust the amount of water according to the size of the load and the type of fabric.

Dishwashers, like washing machines, should only be used when you have a full load. If you are buying one for the first time or replacing an old one, check on the amount of water required for a normal wash programme. Newer machines recycle smaller amounts of water, around four gallons, but get the dishes just as clean.

Cleaning is obviously not an area where we should skimp on using water, but there are a few small savings we can make, mainly by being careful not to waste it by overfilling washing up bowls or buckets. Washing up water can be used afterwards on garden plants.

Turn taps off securely and keep them in good repair by renewing washers when necessary. A dripping tap can lose around a pint of water every ten minutes

IN THE BATHROOM

A bath uses three times as much water as a shower. Letting the tap run all the time when we wash our hands or clean our teeth wastes water. Putting the plug in the washbasin and switching the tap on an off between cleaning and rinsing our teeth makes small savings which add up surprisingly over the year.

FLUSHING THE LAVATORY

This is the greatest use of household water - one third of the total. Older cisterns can use two gallons a flush. Since January 1, 1989, all new lavatories are required to use less than 1.8 gallons. Some lavatories have a two-tier flush system - a quick touch on the handle will produce less water than if you hold the handle down for a few seconds.

IN THE GARDEN

A sprinkler can use 220 gallons an hour, enough to fill 12 baths, which is why hosepipe bans are imposed. Collect rainwater from gutters in butts. Many plastic ones attach to downpipes with the fittings provided and have connectors on the side for hosepipes.

Water the garden in the evening - there is less chance of evaporation. Apply a mulch (well-rotted compost) to flower and shrub borders in spring to help preserve water in the soil.

Figure 1: An article on the 'water crisis' from The Scottish Homebuyer and Home Improver (1993a).

Cover Photograph by Rob Hoon. Demonstration against water privatisation, Glasgow, February 1993. The joke is on Ian Lang, Tory Secretary of State for Scotland.

Capital's 'Water Crisis': A Scottish Analysis

Brian McGrail

I. CAPITAL'S 'WATER CRISIS': THE GLOBAL DIMENSION

Like the 'energy crisis' of the 70s the emerging 'water crisis' is being presented as a technical and ecological question in which human life is an incidental variable: there just happens to be too many people living in areas with too little water to support an expanding number of people; too many nations rely for their staple food on the U.S. Midwest which depends for water on an unsustainable underground aquifer; and too many dams are being built by up-river nations who then, by implication rather than intention, threaten the livelihood of down-river neighbours and hence put world peace in jeopardy. As the *Observer Magazine* so dramatically summed-up, "In the seventies it was oil. In the nineties it is water: a natural resource so vital, and in such demand, that nations will do anything to get it. According to U.N. Secretary General Boutras Boutras-Ghali, 'The next war in the Middle East will be fought over water, not politics'.¹ But the water crisis is becoming dangerous in other parts of the world too, as more and more governments begin to worry about the vulnerability of their water supplies. Water's potential as a source of conflict affects us all², and it is time that we woke up to the dangers"³.

In the same article African women who walk 5 hours a day to collect 30lbs of water are sited as instances of the worldwide 'water crisis' and the human cost of insufficient water supplies. The emphasis is of a crisis which affects us all - even if it is only our consciences. The 'water crisis' is an emerging tragedy *we* should and can all do something about by cutting down on our consumption: use less water; recycle what we use by pouring it onto the garden; fit a modern 1.8 gallon cistern, etc. Yet these individual measures can only prevent drought from occurring 'here', from this tragedy ever affecting 'us'. In the wider political sphere politicians and governments are expected to take care of major disasters by preventing deforestation and also aid the wholesale development of rivers from source to delta. Lean's article avoided the

¹ Seems Boutras Boutras-Ghali knows something the rest of us don't - like there "will be" another war in the Middle East!

² The opening phrase 'In the 70s it was oil. In the 90s it is water..' is so poignant as far as Scotland is concerned since the discovery of oil in the North Sea was exploited in the 1970s as a means of bolstering the British state's revenue and supporting oil companies' profits with very little benefit to the local populace. Likewise Scotland's water grows in significance in the 1990s (see below).

³ From Lean (1993) *Troubled Waters: Geoffrey Lean Surveys a Global Crisis*, p. 17.

“consumer politics” message which was to be found in a later issue of the *Observer Magazine* but it is still a wealthy consumer’s compendium of water usage and treatment disasters. No analysis of the reasons for these disasters is given other than the need for nations (acting independently) to acquire greater amounts of water in order to support ever growing and ‘more affluent’ populations. An affluence which in turn increases this pollution, whether it is due to domestic waste and hygiene treatments (such as bleach and detergents) or industrial pollutants, which a consumer society necessarily produces as a side effect⁴.

Just as capital (re: the capitalist class) wishes to impress upon us that the ‘water crisis’ is a natural problem, an ecological barrier *humanity* must face, and that this is the problem capital faces, the official opposition wishes to impress upon us that the ‘water crisis’ is a matter of degree: it is bad state planning and lack of national and international regulation; it is government misrule and a wasteful use of resources. But at the end of the day there is nothing fundamentally wrong with a society premised upon private property and the exploitation this property form entails, after all the ‘plebeians’ are equally guilty since they too share in this exploitation - their own exploitation as well as that of mother nature. From the perspective of the official opposition *moderation* is the key. In all of this there is no clear class analysis of the situation, and hence a similar argument to that used consistently throughout the ‘energy crisis’ is redeployed, “the ‘waste’ would be due to families which use automobiles too much and sit too long in front of their bright television screens”⁵.

However, there is no point in stressing Southern California’s water shortage without asking why 20 million people (or more) are living in the middle of a desert? We must ask why do people urbanise?; why does capital concentrate plant and jobs in these ‘dry’ areas?; why has water consumption developed in the manner it has?; why is there uneven development?; etc. Equally there is nothing said when a ‘nation’ is blamed for its neighbour’s plight because it has built a dam or re-diverted a river, even if the ‘answer’ seems to be clear. Are dams simply about quenching the thirst of growing urban populations? Or are they about supplying manufactories and producing electricity? All these questions are unanswerable without examining the restructuring of capital over the last 25 years. Like the ‘energy crisis’, which can only be understood in terms of a class analysis of the breakdown of the social contract between labour and capital under the post-war auto-deal, the ‘water crisis’ can only be understood by a class analysis of the impact the ‘energy crisis’ had on oil producing and oil consuming countries with regards to the transfer of capital (and thus the rapid populating and modernisation of ‘barren’ lands) and the search for ‘alternative’ forms of power.

In mainstream and Marxist literature nuclear power (as an alternative to oil) was given the most prominent place: it was secretive, capital intensive, linked to military programmes and posed a danger to human existence when things went wrong. It also provided mass, popular resistance - even amongst the rural middle classes who found their areas under threat. However, although nuclear appeared as capital’s choice energy source it was in no way unwilling to recognise the usefulness of other sources. A general awareness of the centrality of *all* energy sources to capitalist exploitation and restructuring was missing from the populist anti-nuclear campaign, “In opposing

⁴ For many new “green” capitalist enterprises this pollution “side effect” is rapidly becoming the *main effect* of consumer society since it is “clean-up” upon which they depend for their profits.

⁵ Levidow & Young (1985), *Capital’s ‘Energy Crisis’: Italian Analyses*, p. 61.

nuclear power... we are faced with a clear class choice: either simply propose 'alternative' energy sources and thus aid capitalist restructuring, or attack all capitalist exploitation involved in energy usage and embodied in technology design"⁶. In addition the anti-nuclear campaign was centred only in those countries which had the ability to build and operate nuclear stations, or could do so without undermining U.S. foreign policy (due to their connection with the construction of the atomic bomb - ie. Israel and Iraq).

The other major sources of power varied greatly in their capital intensiveness, unit price and energy output. In many traditional energy industries labour was well organised and concentrated due to the accumulation of both capital and labour power over the years (coal and gas). For environmentalists they also involved burning fossil fuels and added to global warming whilst for "energy planners" (who planned prices by *planning* the amount of energy to be *wasted*) they were similar to oil in their obtainability and limited lifespan. At the same time new energy industries (wind, wave and solar) remained unfeasible.

With rising energy prices and labour power costs in the highly industrialised nations, the flight of capital in the late 70s and early 80s to newly industrialising regions generated unforeseen problems. One point, perhaps the major one, in capital's flight was gaining access to cheaper labour power, but this labour power could not simply be pumped into a de-capitalised production and reproduction process as a means of lowering the organic composition of capital and labour power. Capital which supplanted itself in these countries had to both build modern automated factories and, in many instances, impose and re-impose methods of primitive accumulation. It required both rapid urbanisation and industrialisation to take place under the auspices of "development". In many cases old technologies of previous (temperate) urbanisation were used in altogether unsuitable and unsustainable situations with a consequential drive for new technologies⁷.

Hence, even if capital wished to replace organic energy with the living energy "stored" in the source of human labour power it found itself consumed in the necessary social costs of reproducing that living energy source (as that life made its demands). One key to maintaining that particular energy source was *water*. Without cheapening the supply of water to expanding urban areas the supply of labour power would be slow and expensive. Not only because the cost of water would be high but because sewerage would also be expensive since water is essential to the removal of waste in urban drainage systems. However, coupled to this hydration and hygiene crisis of urban reproduction was *capital's* growing consumption of water and electricity as organic components in manufacturing and flow-engineering production. In the case of making computer chips Motorola use 512 gallons of water per minute per assembly line as a 'coolant' whilst a modern dye factory can use up to 2 million gallons a day, and new synthetic materials are weaved using a needle fired by water jets and supported on a stream of water. Finally, hydroelectric plants provide a high output form of cheap electricity from a 'sustainable' resource but require the massive capital investment of dam construction.

For these reasons the fate of many "developing" countries, and rural areas in

⁶ *ibid.*, p.52.

⁷ For example, with regards to water usage the "low gravity flushing toilet" was designed in order to reduce the consumption of valuable water from toilet use in Southern Africa.

industrialised regions, were sealed by borrowing which was used to try and meet capital's growing "requirement" for reservoirs, specifically dammed, water. Ethiopia, Syria, Iraq, Turkey, Mali, Mauritania, Senegal, the 8 countries of the Zambesi Basin, Jordan and China all drew up plans for large-scale dam projects in the 1980s whereas Egypt and Libya had already embarked on schemes. The Chinese plan encompasses the displacement of 7 million people! Major rivers have also been re-routed in Russia and the U.S. and now Slovakia is contemplating damming the Danube. These schemes are necessary to the global restructuring of *capital* and it is this restructuring which poses the threat outlined in the *Observer Magazine*, not "national" development and interests.

In harsh contrast to these feats of engineering the poverty caused by the continual process of primitive accumulation (from using slave labour in the Chinese Cultural Revolution to the mass starvation of Ethiopia and displacement of Iroquois in Canada) created a second disaster in the incessant search for basic use values. In Ethiopia and Bengal massive areas were deforested not by land speculators as was the case in the Amazon but by the widespread use of wood as the only fuel. To add a piece of irony the deforestation of Bengal in turn increased the cycle of serious flooding in Bangladesh from once every 50 years to once every 4 years. Ultimately capital's consumption of urban labour power and dammed water forced a general environmental crisis, of which direct water pollution was only a part. Yet, it must be stressed that capital's 'water crisis' is not simply a problem in 'developing countries'. It is universal. Having said this I will continue with a particular example of the crisis in a 'developed' region.

II. CAPITAL'S 'WATER CRISIS': THE SCOTTISH DIMENSION

Being, along with Iceland, Norway, etc., 'water rich' it would seem that Scotland is most unlikely to suffer from a water shortage - even with the demands of modern capitalism. Nonetheless ever since England and Wales' water boards were privatised in 1989 and the recession took its grip on government finances in the 1990s there has been an emerging 'water crisis' in Scotland. A significant part of this crisis has been the ever greater influence of the EEC and its various directives upon local economies and the services they provide - including water. Within this context Scotland's local authority run water industry has come under the scrutinising gaze of a crisis ridden state eager to remove its responsibility for funding the maintenance and reconstruction of the water system and, in the same manoeuvre, use Scotland's "excess" water capacity to help capital generate an opportunity out of the 'water crisis'. To this end the Scottish Secretary of State, Ian Lang, has started to develop plans whereby Scotland's "excess" water can be sold to private water companies in England and Wales (at a profit) by a restructured and, eventually, privatised Scottish industry.

There are several factors involved here which can be listed as follows: (i) the willingness of English and Welsh water companies to buy *cheaper* water from Scotland in order to secure continuous supply to their customers, to lessen their investment costs with regards to meeting EC directives by buying in pretreated water, and to stem the rise in unit water prices (to their customers) which limits their market and leaves the advantages of more productive technologies unrealisable; (ii) the method by which to raise finance in order to make (i) above possible, including the

financing (by the taxpayer) of a pipeline to England and the "up-grading" of Scottish water production plants so that the "commodity" manufactured meets the EC's definition of what can be sold as 'water' on the European single market; (iii) the need to restrict "wasteful" consumption of water in Scotland which would otherwise push up the cost of each unit supplied to English companies; (iv) the possibility of splitting the Scottish industry into distinct operations (as is the case with the English electricity industry) so that a particularised Scottish water 'generator' can sell to all U.K. water companies, including Scottish 'retailers'; and (v) the overall effect of rising water prices on the working class and the environmental justifications for this 'inevitable occurrence in modern society'.

From these factors capital's overall conception can be discerned (and therefore challenged) as a privatised, profitable and restructured Scottish water industry. This could be initially financed through higher domestic water bills and indirect government taxes. These both impose austerity on the working class (forcing them to work longer for a basic necessity) and can be justified on ecological/environmental grounds using EC directives as a 'compulsion'. This conjecture can be developed and criticised as follows.

In England and Wales the government argued for privatisation upon the basis that private finance was required if the water system was going to get the level of investment needed to meet EC directives⁸. In actual fact, in the 4 years since privatisation the vast majority of finance for England and Wales' water system has come from price hikes - OFWAT, the government's regulatory body has even allowed these monopoly companies to raise their prices by 6% above the level of inflation for their first 10 years. Yet the most serious problem has not been a collapse of infrastructure but a basic inability to supply the commodity during dry months. This is an acute problem for a private water company, like Anglian, who are trying to sell as much of a commodity as they can. It is a very different situation from when a public body failed to provide a continuous service. In the second instance the water charge is perceived as a socially necessary tax but in the first it is a payment directly linked to supply - no water, no payment. On top of this is the expense of up-grading plant (to meet EC directives) which could lie idle at certain times from a lack of sufficient water whilst this under-supply pushes up overheads and increases the unit cost when the unit price is regulated and fixed (even if it is 6% above inflation). The answer for Anglian is to buy in cheap, pre-standardised water and secure a continuous supply to its customers. The immediate option is to buy from other neighbouring English companies but in the long term sparsely populated Northern areas with plenty of better quality 'raw material' provide a better solution, even if the capital outlay is greater.

In Scotland the government began to face up to the 'problem' of EC directives in 1992, 11 years after they had been signed but, amazingly, still within the time limit they had to conform. Due to the state's fiscal crisis the government put their dilemma in terms of not being able to afford the required new investment without increasing taxes or public borrowing. The threat of *privatisation* was placed on the political agenda. This became the major political issue whereas the underlying issue of whether or not Scottish water needs to meet EC directives was pushed to the side, along with an announcement by *Scottish Enterprise* (a government industry and

⁸ These directives were signed as far back as 1981, however, due to the state's 'financial crisis' they were never seriously implemented, that is, until the single European market loomed closer.

training Quango) that it was considering spending £1.5 billion of public money on building a pipeline to England.

The furthest the 'official opposition' (the Labour Party & STUC) went in this political struggle over the privatisation issue was to question the size of investment required by the Scottish water services to fulfil the directives. The government had put the figure at £5 billion but Malcolm Chisholm, the Labour MP for Leith, put it at nearer £2.5 billion which would make public funding feasible. Labour's main goal was to keep water public, and therefore under their political control, but they are prepared to keep it in local authority control at any cost - no matter the price that would have to be paid by the working class. Campbell Christie, General Secretary of the STUC, went as far as arguing against privatisation upon the basis that "Disconnection policy would be ... determined in a far away boardroom"⁹ which in essence accepts the introduction of domestic water supply disconnection (as yet illegal in Scotland under the present laws) as a means of securing/enforcing payment.

Indeed on closer inspection the official opposition accepts the financial and European legal grounds for the restructuring which the government wants to take place - all they disagree on is the concept of full-blown 'privatisation'. Even the idea of selling water to England is acceptable in that it could generate revenue for the Scottish state (including local council revenue - the bodies Labour dominates), as is the use of disconnection and water metering as a means of debt enforcement, especially after the experience of Labour controlled local authorities in trying to collect the poll tax. As usual their lack of resilience is justified upon the necessity of obeying the 'law', and, as a result, water privatisation is seen by the official opposition in simplistic ideological terms as the prerogative of the elected British government to do what it wants. In this way the only issue left to talk about is 'how are we going to achieve a Labour government?' with a resultant oppositional pessimism within labour ranks and a self-satisfied confidence in Conservative ones.

However, the issue of privatising Scotland's water is not an ideological one and cannot be viewed as a clear cut case of private versus public ownership. Rather it is a case of capital trying to turn the dangers of its crisis ridden existence into an opportunity, but while Labour - as a party of government - want to help capital generate this opportunity it is not a predetermined outcome of the crisis (as the politicians would have us believe). On the contrary the Scottish working class are not destined to accept higher water charges (no matter the reason given for them) and the austerity they signify as a necessary means to obtaining the provision of decent water (whether it is private capital or the state which stands to gain by their "compliance").

Capital's *opportunity* is our *danger*; we are *told* we must *learn* to use less water because prices are rising in order to save the environment (see Figure 1 for a reproduction of a typical newspaper article which carries this kind of bourgeois message). We are *told* to learn to economise in order to pay higher bills, but these bills will only be higher so that private capital can recoup *its* investment in new infrastructure (which, as will be seen, is largely unnecessary) whilst industrial consumers of water receive *price cuts*¹⁰.

⁹ From *Ministers rule out full-scale sell-off for Scotland's water*, Jones (1993), p.1.

¹⁰ In England and Wales the government forced the private water companies to cut their industrial prices by at least 2% in 1992-93 "due to recession" and in one case North West Water cut ICI's bill by a whopping 25%, see Thian (1993) *The price of a public service!*

