A few days ago, the Australian government admitted that it had done no contingency planning for Trump’s killing-off the misnamed Trans-Pacific Partnership. This refusal to think strategically is understandable, if not forgivable. What could they do, even if they knew for sure which disasters were coming and when?

But their incompetence reinforces why Solidarity Breakfast has to stay focused on the short- to medium-term outlook for capitalism. We’ll keep at it because we have a duty to our class to get behind the bumph flung at us as ‘the News’, on the quarter hour, every quarter hour. We’ve been doing the little we can to track the rolling crises over the past fifty years. The latest round in this long cycle saw its first eruption in October 2008 on Wall street. Then it rocketed around the globe, through Iceland, Ireland, Cyprus and Greece. There’s no reason to think that the bad debts have been written off – let alone repaid. Quite the reverse. The most worrying single ‘News’ item this year is that the New York Stock Exchange broke through the 20,000 barrier. Never forget: when the liftboy starts buying shares, that’s the time to sell.

This month, we’ll take a different angle. In the past, we’ve delved into economic and financial aspects. This time, we’ll turn our attention to the ‘political’ to ask how functional are state apparatuses. Are more states failing than the ‘News’ lets on?

MARXISM 303
In shifting our sights to the ‘political’, we shall stick with another of our regular themes, namely, Marxism.303. Seven months from now, on 5 September, will be the 150th anniversary of the publication of Marx’s Das Kapital. Marx’s revealing sub-title is A critique of political economy. Not merely economics but political economy. Not just political economy but its critique.

Marx was never an economic determinist. He knew that the political and the economic are inseparable. Our task is to show how those levels are interacting nowadays. That’s what we’ll explore this morning.

NOT THE NATIONAL GASWORKS
Our opening question is: what does Marx mean by ‘political’? To answer that question, we should get clear what he does not mean. He’d be appalled at how so much of the Left has fallen victim to what he and Engels called ‘parliamentary cretinism’.

Parliamentary cretinism has nothing to do with the intelligence or otherwise of individuals. They were poking fun at reformers who thought that if you change the law you changed the world. That mistake hasn’t gone away. It’s the basis of the pressure to trail behind the Anti-Labour Party. That tactic has proven disastrous enough.

However, in the last twenty or so years, parliamentary cretinism has taken a twist for the worse. Now it’s driven by an obsession with personality. We suffered from it with Hate Howard and Loathe Abbott, and now we see it in spades with Trump.

Whichever form parliamentary cretinism takes it deflects attention from two crucial questions. First, what are the needs of capital? Secondly, how is the state serving those needs?

Answers to those questions depend on paying close attention to time and to place. In one sense, the needs of capital have not changed since Marx wrote Capital, 150 years ago. The key is that capital must expand. That expansion can come from only one source. And that source is the surplus-value produced by wage-slaves adding value to the wealth of nature.
How exactly to make that happen in Australia in 2017 is a long way, for instance, from how it was starting to happen in Japan in 1867. So, grand generalities are more a hindrance than a help.

The second point concerns how exactly the state is serving the needs of capital. Here, we suffer from the mantra ‘private BAD’: ‘public GOOD’. That sums up the simplistic view that if a government does something it’s better than if a corporation does it.

What’s happened to Marx’s treatment of the state as the executive committee of the bourgeoisie? Let’s get this clear. The state is not our friend. On the contrary:

*The state organises capital and disorganises labour.*

Those seven words deliver a crucial fact about the critique of political economy. They can never be repeated often enough.

Of course, the daily workings of the state are more complicated than those seven words. For instance, one way in which the state disorganises labour is by organising us into safe channels. The alarm at Populism is the bosses’ BOO word for our not taking orders. Controlling labour is one of the tasks which the state performs on behalf of capital.

Before moving into some current instances of the fracturing of the state, one more qualification has to be inserted into our seven-word formula. The state is itself one more site for class struggle.

When working people self-organise, our class is better able to block attacks and also to make advances. We shall celebrate one of those victories in December with the centenary of defeat of the second attempt to impose conscription for overseas service.

Despite holding state power, and the monopoly of violence, capitalist states don’t always get it all their way. Our job is to make sure they don’t.

ASIAN CRISIS 1997-8

To illustrate the role of the state in the political economy of capitalism, we can turn to the Asian financial crisis of 1997-8. Part of its fallout was the overthrow of Suharto in Indonesia, and the upheavals in Thailand which are still going on.

Now go back before 1997 to look at the IMF agenda for such countries. Before 1997-98, IMF rhetoric had been that the nation-state had had its day. Globalisation was the New World Order.

Regimes got loans only if they sold off assets and cut back on tax-funded services. The political turmoil out of the Asian Financial Crisis brought a change in IMF tactics. Before 1997, the line was ‘Governments Bad’. After 1998, the line became ‘Ineffective Governments Bad’.

Our question now becomes: what does the IMF mean by ‘Ineffective’? For the IMF, an ‘ineffective’ state is one which cannot control its people.

THE DEEP STATE

It used to go without saying around the Left that there’s more to the state than parliament, the courts and the public service. There is also what used to be called *The Invisible Government*.

The truly radical task is to get behind the threats from ultra-Right-wing groups. We are always struggling against the covert dictatorship of the bourgeoisie. Go back to attending to ‘the Deep State’. Parts of its dirty doings were exposed by Edward Snowden. The Deep State has dug a lot deeper.

In the USA, the Deep State has already taught Trump a lesson in the limits to the power of any elected official. They made him accept as a fact something that they know is not true. The Russians were not behind the leaks from hacking of the Democratic Party.
During 2017, we’ll do what we can to track the roll-out of how the implosion in capital erupts next. This morning, we’ve focused on the various levels of ‘political’ in Marx’s critique of political economy.

Since 2007, the implosion in the expanded reproduction of capital has erupted at two levels of the political. One is the so-called representative democracy as seen with Trump and Brexit. Death of the old, self-styled Socialist Parties across Europe in Greece, in Spain and in Italy and now in France. Replaced with what?

NATO is the outer face of the corporate warfare state. NATO is many times more important to global capital than the EU. That is what Teresa May set out to secure Trump’s backing for NATO.

The other loose cannon is the impact of such electoral upheavals on the regulatory regimes. Experts such as Wolfgang Streeck await the break-up of the EU and the end of the EURO.

Spain did not have a ‘government’ for nearly a year. The Italians rejected the referendum in December, which led to the resignation of the prime minister. Something similar happened in the UK with Cameron.

What will the Scottish Parliament do once Westminster votes to leave the EU? Who dares to predict the outcome of the elections in France and Germany or the Netherlands?

In their different ways, voters are being driven to extremes by the fall-out from the implosion in capital. But that breakout from representative democracy did not start only ten years ago. The train wreck of the bourgeois order has been decades in the making.

But the flow between the economic and the political is both directions. This year, it’s a dead cert that political upheavals will compound the economic problems. Economic problems will further enflame political reactions between states and inside hem.

By contrast, activists cannot betray our class by pretending that if we don’t think about a problem, it’ll go away. It won’t. The implosion of capital that erupted in 2008 remains to shape every political and economic move.

Humphrey McQueen