

# Off The cuff

DON MILLIGAN'S

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## Common Sense . . .

**JOHN McDONNELL**, Jeremy Corbyn's right-hand man, and Labour's shadow Chancellor, has assembled an impressive team of experts in the party's Economic Advisory Council. Members include a former stalwart of the Bank of England's Monetary Policy Committee, prominent academics, and best-selling authors in the field. They are helping party leaders to develop a programme that it is hoped will restore Labour's economic credibility.

The first fruit of their work was unveiled on Friday by McDonnell in a speech delivered at the RSA (Royal Society for the encouragement of the Arts, Manufactures and Commerce). The shadow chancellor spelled out the need to increase investment in housing, scientific research, technical innovation, transport, and other infrastructure projects. He also flagged up the need to give employees the option of taking over and running the firm they work for when the business in question is threatened with closure or faced by a takeover bid.

In keeping with this perspective McDonnell stressed, "We need a far more sophisticated argument about ownership that does not just fall into the caricature of either pure privatisation, or monolithic state control." Decentralisation and clearing the "barriers that hold back entrepreneurship and innovation" must be uppermost in our minds.

Labour aims to deploy the resources of government in a way that will help to increase the availability of credit for small businesses, and overcome the relative decline of long-term investment in science and technology. Nothing less than the creation of an "entrepreneurial state" is contemplated

in which public funds will be deployed to stimulate, and ready novel processes for industry to take forward with the creation of new products and services.

However, his speech was both prefaced and concluded with the need for iron discipline. “We should show how we can account for every penny in tax revenue raised, and every penny is spent.” Because, “there is nothing left-wing about ever-increasing government debts . . . We shouldn’t be the Party that only thinks how to spend money. We are the Party that thinks about how to earn money. The clue is in our name. We are the party of labour – the party of the wealth creators, of technicians, designers, machinists, entrepreneurs – the party of workers and small businesses.

McDonnell, used to believe in “fomenting the overthrow of capitalism”, today he confessed to Andrew Marr, that this “was just a joke”, and he is in fact committed to “transforming capitalism” while submitting to the supervision of the Office for Budget Responsibility, imposing flexible fiscal policies, and stimulating productive investments. In this keynote speech the shadow chancellor’s analysis and perspectives rested heavily upon the outlook of the IMF, the OECD and the Bank of International Settlements. He flagged up the reviews he’s launched into the Treasury, Her Majesty’s Revenue and Customs, and the Monetary Policy Committee in order to see “how these core institutions can best deliver the prosperous, fair economy of the future.” He stressed, “This isn’t about making the state bigger or smaller. It’s about making it smarter . . . We need to get back to the best of our own tradition.”

The tradition to which McDonnell refers to is, of course, the tradition of attempting to manage capitalism in the interests of the working class. This has, in the past had much to commend it, from the development of universal health insurance, to improved welfare and housing. It’s certainly worth a try

to see if Britain's productivity can be increased, living standards raised, and to see if our industries can be better protected from the squalls and storms which afflict the global economy.

I'll certainly vote for it.

It is not, of course, an anti-capitalist policy, and one should not expect the Labour Party of Jeremy Corbyn or John McDonnell, to produce one. It is a programme much more akin to that of Nicola Sturgeon's Scottish Nationalists, of Plaid Cymru's Wales, or the Green Party's best intentions. All these faux social democratic parties have differences with Labour, but their aspirations are the same, how to manage capitalism in the interests of the mass of the population rather than the propertied oligarchy that runs things at present.

It is not clear to me how this fits with the heady enthusiasm evinced by the victory of Jeremy Corbyn in last year's leadership election, or how such a perspective will play with the party's new members or with the young firebrands and activists of Momentum.

For the communists, and other resolute socialists recently swept into the Labour Party by the Corbyn landslide, John McDonnell's common sense, his 'iron fiscal discipline', his belief in accounting for 'every penny' spent will transform the heady enthusiasm into dogged determination to do better. The radical promise of the dramatic swing to the left will rapidly lose momentum as it comes face to face with the realities of capitalist crisis.

The Labour Party has form in this regard. After all it was Prime Minister, Major Atlee, which gave Britain its nuclear weapons, set troops and cops onto striking dockers, and sent National Servicemen into the jungles of Malaya to maintain Britain's colonial grip. It was Prime Minister, Harold Wilson, who witch-hunted the merchant seamen's leaders in 1966, and with Barbara Castle, drafted pioneering legislation that aimed to halter the labour movement and restrict the

right to strike. And, so the Labour Party has rolled on and on employing common sense and its Faustian bargain with capital in its perennial attempt to run the system in the interests of the working class.

Alongside continuously financing foreign interventions, fighting wars, and defending the interests of British investors at home and abroad the Labour Party has done a great deal of good, from instituting universal health insurance, clearing slums, building houses, hospitals, and schools, improving safety in the workplace, and passing great swathes of progressive social legislation. What it has not done, and shows no sign of doing, is changing in any fundamental way existing economic and social arrangements – Labour and its leaders have always been at pains to demonstrate that the British economy, her capitalists and their assets are safe with the Party in power.

This is common sense as opposed to the utopianism of communists, resolute socialists, and anarchists. Karl Marx's collaborator, Frederick Engels, did our movement a great and confusing disservice by elaborating an antagonistic distinction between 'scientific' and 'utopian' socialism, because, of course, all communists are, by definition, utopians, who fight for a set of social arrangements that do not exist. We do not fight for the here and now, but for a projected future in which the private ownership of industry, and the operation of the market, is no longer allowed to dictate who gets what in the allocation of the wealth of society.

Now, of course, such aspirations have nothing at all to do with common sense, promising to balance the budget, or stewarding national resources in a manner that the International Monetary Fund would find congenial.

So, lying at the heart of the left is this knot between common sense and communism, between rhetorical maximums and practical minimums. It is true

that this is usually played out in responses to foreign policy where the left refuses all concessions with 'imperialism' abroad, and yet rushes headlong into accommodation with those same imperialists when pursuing commonsensical policies at 'home'.

This conundrum affects socialists and radicals of all stripes from Athens to Madrid, from Jeremy Corbyn to Bernie Sanders – how to forge a socialist politics capable of changing the rules of the game, a politics capable of freeing us from the intrinsically commercial constraints of existing economic arrangements between the world's big economies and between working people and their employers?

For those socialists recently swept into Momentum and Labour Party activism, a rather baggy socialistic enthusiasm will, for a time, drive consideration of the knot between common sense and communism to the back of their minds, as Corbyn, McDonnell, and their advisors, attempt to fashion policies designed to carry them over the doorsteps of numbers ten and eleven Downing Street. However, I have no doubt that dismay at the concessions and 'realism' thought necessary to win over the electorate, will mount as the tension between communism and common sense springs back into the life of the movement.

For us, for the communists, the resolute socialists, and the anarchists, the Labour Party will not do, because our problem remains how to develop a politics and organisations capable of promoting social solidarity and winning over the majority of working people to the need for an extension of democracy into the sphere of our working lives. For us, the outstanding question is how can we envelop and saturate the economic sinews of our society with democracy? This is not something that Labour's common sense can address; the Party cannot help us create a democracy that frames every aspect of our lives, because it is formed and driven by the

paradoxical need to strengthen capitalism in the interests of the working class.