

No Uplift Here

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YOUR REVIEWER will immediately crack the kernel by quoting from the editors' * "Introduction": "Rosa Luxemburg wrote that 'the realization of socialism will be the end of economics as a science'. This prediction was wrong - a large body of literature has now accumulated on the functioning of the socialist economy."

In other words the editors imply that a mere accumulation of words about idiosyncratic mechanisms can be a substitute for science. Your reviewer prefers to go back to sources. The German word for science is "die Naturwissenschaft" which literally means a stock of knowledge about nature.

The underselling of science appears to be the inevitable appendage of a justification of socialist "economics." Part One of this book contains selected quotations from the original Marxist sources on the working of the socialist economy, and powerful attacks on them by Barone and von Mises. In Part Two the socialist strategy of economic development, first experimented with by the USSR and later by the Eastern European countries, is outlined, with contributions from Prcobrazhensky, who shaped it, as well as from Western economists.

"In my pamphlets 'Paper Money in the Epoch of the Dictatorship of the Proletariat' and 'The Causes of the Fall in the Rate of Exchange of Our Ruble' I showed that the issue of paper money under a system of declining rates of exchange is one of the forms of taxation. Here it is only necessary to note that the issue of paper money is also one of the methods of primitive accumulation. Debasement of the coinage, which was committed by the feudal princes and our tsars, and the issue of paper money in the subsequent

period constituted taxation by the state of the whole population, including in part taxation of the bourgeoisie's money capital. When the state is at the same time an organ which rules the country and the master of a huge economic complex, issue of paper money directly serves as a channel for socialist accumulation. This accumulation is carried out at the expense either of the incomes of the petty-bourgeois and capitalist elements or of reduced wages of the state's workers and office employees."

Part Three contains six contributions on planning techniques with graphs and algebra to match. Supposed "economic reforms" that have been taking place since the mid-sixties are represented in Part Four with comments from observers. Part Five discusses the mathematical techniques of socialist planning. The book ends with The Chinese Model: some characteristics of Maoist policies for social change and economic growth.

Apart from the quotation highlighting the monopoly of the monetary system by the state there is nothing contained within the editorial or contributions in this book which is either stimulating or original and the overall effect depresses rather than uplifts the mind.

* *Socialist Economics* Selected Readings edited by Alec Nove and D. M. Nuti, Penguin Books, 70p.