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Malaysia

"Why I am a socialist and intend to remain so"

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Jeyakumar Devaraj and 29 members of the Parti Sosialis Malaysia have been detained in Penang, charged with attempting to revive the Communist Party and waging war against the King. These are extremely serious charges although there is no evidence to support them. A worldwide protest is being organised against this harsh detention. See [Repression in Kuala Lumpur - Solidarity with the 6 comrades of the PSM](#).

[<https://internationalviewpoint.org/IMG/jpg/eo6-english.jpg>]

"Hey Kumar! Still tilting at windmills are you?" a doctor friend greeted me at an MMA function 4 years ago. There had been some news regarding the Parti Sosialis Malaysia in the media that previous week.

For many, the socialist experiment had already been assigned to the dustbin of history and only deluded people would still work towards socialism

But for us in the PSM, we believe that socialism has an important, even crucial, role to play in averting a colossal economic-ecological disaster that will occur within the next 30-60 years!

We believe that the world has to find a workable alternative to an economy driven by corporate greed. We advise 3 main arguments for this position.

1. Malaysia's current economic course recommends to a "Race of the bottom".

The global owners of capital and technological expertise who control market access are a relatively small number of corporations - about 500 to 1000. They have become all powerful in the unipolar world of today and they can "bargain hunt". Even the biggest governments can't control them.

The measures that Malaysia is taking to attract investors into Malaysia include

Lowering corporate tax and supplementing tax income by enacting a GST. The tax burden is being shifted onto ordinary Malaysians

Enhancing "labour flexibility". This is a misnomer - it undermines job security and workers' rights through allowing contractualizing of labour and by weakening unions.

Privatization of basic services such as health care and tertiary education.

All these measures pile economic pressure on the lower 70 % of the population.

And these are measures other developing countries are also taking - each outdoing the neighbor in the mad rush for FDI. It is very difficult to build a caring society within this framework of development.

2. Chronic under consumption leading to massive growth of financial capital and increasingly volatile financial "bubbles".

The ability of large corporations to "bargain hunt" in the cheapest sites to station their factories has meant mega-profits for these corporations but at the same time has stunted the aggregate consumption power of the global economy. When a US or European firm lays off 100 US workers by shifting to China and hiring 100 Chinese workers at 1/7 the wage, the total buying power of the working class is reduced.

The absence of robust growth in consumer demand dictates that the profits of the corporations cannot be invested in the production of more consumer goods. So the corporations need to try other alternatives to make money such as the Futures Market, Currency Trading, the Share Market, and other financial products like derivatives.

This tendency is highlighted by the fact that "Quantitative Easing" - the release of more money into the US economy in an effort to stimulate industrial production thus reducing unemployment - has backfired into the creation of more financial bubbles in various parts of the world. The problem is sluggish consumer demand, not a lack of productive capital.

The issue here is not insufficient regulations but a misdistribution of the world's wealth! To address this problem, the power of the corporations has to be challenged!

3. We are reaching the environment limits of growth.

The global economy is heavily dependent on petroleum. This commodity is going to run out within the next 50 years or so. We urgently need to think not only of alternative sources of fuel, but also of much greater fuel efficiency!

Global warming is with us. How soon and how fast sea levels are going to rise is still a matter of conjecture - but does that mean we can afford to ignore the issue if it only impacts our grandchildren and not us?

An economic model that requires a global average rate of growth of 4% per year to avoid downturns is clearly not sustainable! Not for the next 50 years! We need to redistribute the wealth we already are creating more equitably. We have to cut down waste! Growth cannot be endless.

All of these are only possible if we are ready to challenge the paradigm that unchecked greed will lead to the best possible outcome for the world's majority because Adam Smith's "Invisible Hand" is still operating in today's corporate led globalization.

The ordinary people of the world need to take power to dictate the direction of the national or world economy away from the hands of the 560 richest corporations of the world.

We need to empower the majority of the world to take on these tasks through a democratic process. These are the tasks facing 21st century socialism. These are not easily attainable goals.

But the problems we are facing are extremely serious. Unchecked they could lead to an ecological, food or climatic disaster that will lead to a decimation of the world's population.

"Why I am a socialist and intend to remain so"

This is not the world that I wish to bequeath my grandchildren. That is why I am a socialist and intend to remain so despite the EO/ISA arrest!