



book review

The Logic of 'Free' Markets

by Tanweer Akram

Chomsky, Noam. *Profit over People: Neoliberalism and Global Order*. New York, Toronto, London: Seven Stories Press, 1999. 176 Pp. US\$32; £22. ISBN 1-888363-82-7 (pbk.)

CHOMSKY'S recent book, *Profit over People*, looks at the system of global order and control. He argues that the ruling class uses markets and regulations selectively. The operations of markets are distorted to secure profits for the privileged, while the 'logic' of markets is mercilessly imposed on the masses.

Despite the polemics about individualism and free markets, in advanced industrial economies, the state provides large subsidies to major corporations. Subsidies and tax breaks and industrial policies generally benefit the rich. Defense expenditure in the United States of America and other industrialized countries sustains and guarantees a high rate of profit for corporations, immune from the logic of 'markets' and risks, a truly fantastic arrangement for transferring taxpayers' money into the pockets of the privileged. Subsidy figures, however, are difficult to determine or calibrate in part because much of these transfers are indirect. Zepezauer, Mark and Arthur Naiman (1996) have documented some of these subsidies in the United States of America. Chomsky points out that the development of important parts of contemporary capitalist economy owes to state mediated transfers to corporations in key sectors

Despite the polemics about individualism and free markets, in advanced industrial economies, the state provides large subsidies to major corporations. Subsidies and tax breaks and industrial policies generally benefit the rich. Defense expenditure in the United States of America and other industrialized countries sustains and guarantees a high rate of profit for corporations, immune from the logic of 'markets' and risks, a truly fantastic arrangement for transferring taxpayers' money into the pockets of the privileged. Subsidy figures, however, are difficult to determine or calibrate in part because much of these transfers are indirect.

such as Internet, computers, engineering, automation, aviation and tourism. Chomsky argues that Bretton Wood agencies' surveillance, lending, and macroeconomic stabilization and structural adjustment programs reduce risk and raise profits for capital.

Although the US economy has been growing, working peoples' lives have barely improved in recent years. Thirty percent of African American men in the labor force are unemployed. And one of every 12 African American men between 25 and 29 are incarcerated behind bars. The United States has the world largest prison populations. In the year to June 1998, the US prison population grew by 4.4 percent to 1.8 million (Economist, March 20, 1999, p.30.)

The unfettered movement of speculative capital has led to destabilization and excessive volatility of exchange rates and capital flows that endanger economic growth, development, and international trade. That completely unfettered movement of finance capital could be harmful was well understood

by the principal architects of the Bretton Woods System (John Maynard Keynes and Harry Dexter White). In light of recent experience many establishment economists (such as Jagdish Bhagwati) and some businesspersons are again vocal about the need to limit capital mobility. Under neoliberalism capital flows freely in quest of profits, but labor flows are widely and highly restricted and perhaps unacceptable to the advanced industrial economies. But according to neoclassical economic theory, an international free market in labor would ensure that labor is justly compensated in concurrence to its marginal productivity (Findlay 1990).

How Countries Develop: Myths and Realities

In developing countries, many of the market distortions, trade barriers and state-ownership of firms were put in place to advance the interests of the groups in power. Interventionism often led to the lack of competition, higher input costs, inefficiencies in the pro-

duction of goods and services, and colossal losses in public enterprises. However, the inefficiencies of interventionist policies do not imply that simply replacing these with market-based policies or privatization will lead to higher economic growth, development, or poverty alleviation.

Liberalizing trade and finance, market-determined prices, and private ownership do not necessarily ensure high growth, let alone sustainable economic development. The experience of high growth areas in Asia and the historic development of advanced industrial economies would evoke other explanations. Economic development depends on many ingredients, such as high literacy and level education, productive and educated workforce, political and policy stability, dynamical entrepreneurial culture and innovation, good management, technological progress and diffusion, appropriate choice of technology, proper system of incentives, state subsidies for industries based on objective criteria and per-

formance, effective public administration, and visionary state leadership.

Governments of many developing countries are corrupt, undemocratic, unaccountable, inept and incompetent and often rely on their international sponsors. Unless democratic institutions are installed through people's struggle, policies are likely to benefit the elite in developing countries and advanced capitalist countries. Developing countries need to increase expenditure on primary education, basic health care and non-coercive family planning, and infrastructure. Economic policies and incentives schemes have to be redirected to support growth in agriculture and industry. The Indian economist Amartya Sen has argued that if a country has democratic institutions, it is able to prevent virulent disasters like famine and mass starvation. The authorities are compelled to undertake transfer programs to help the needy because there is public pressure to do so. Free press and democratic elections can be instrumental in pre-

venting many catastrophic human tragedies by providing timely information and creating political pressure for public action. But notional democratic institutions do not guarantee social progress and improvement of the economic circumstances of the majority of the people. Even with regular elections and a relatively unfettered but corporate-owned press, the ruling class can get away without responding to the needs of the majority. This is true both in advanced capitalist countries, like the United States, and in developing countries, like India or Bangladesh. The importance of devoting state resources to meet basic human needs is clear from Drèze and Sen's (1989) comparative study of India and China. Whereas India was able to avoid famine, unlike China, India invested far less in rural health care services than China. And the result of this has been catastrophic: Approximately every 8 years in India, the number of people who dying from starvation, poor health, malnutrition, and diseases equals to a 1958-60 Chinese famine. Profit over People is a short and clearly written book that will inspire the peace and justice movement in USA and abroad. It deserves to be widely read because it challenges orthodox thinking and exposes the grotesque lies of the ruling class.

Acknowledgements: I wish to thank Noam Chomsky and David Goalstone for their comments and suggestions. The usual disclaimers apply.

Finally, ground beneath Salman's feet

by Naeem Mohaiemen

THE e-mail arrived in my mailbox like a ghost on Thursday afternoon. Sent from the account of online acquaintance Nibir Datta, with an appended note saying "Thought you might be interested", the e-mail had been pulled from a website. The terse note announced that author Salman Rushdie was making his first public US appearance since the lifting of the Iranian 'fatwa' — the occasion was to read from his new book "The Ground Beneath Her Feet".

I took a few minutes to savor the note, feeling like the possessor of secrets. But within minutes, my reverie was broken. First came an automatic announcement from the New York "City Search" website which, following my pre-set user "preference profile", had e-mailed the Rushdie event to me as well. Then came the daily e-mail update from Sreenath Srinivasan, head of the South Asian Journalist Association (SAJA). This one came complete with the URL for Rushdie's book site — www.groundbeneath.com. A website for one book, now I really had seen everything!

Galvanized by the fear that all these eager "I've got a secret" e-mailers were going to start a stampede for Rushdie tickets, I quickly dialed the RSVP line. The voice on the other end took a good five minutes describing all the security

provisions (no bags, possibly no cameras, arrive one hour early, photo ID for every member of party, etc etc). He was taken aback when I said "So, show up at Cooper Union at 5?"

"Oh, how do you know that location? They haven't revealed the location to us yet. You have to call back Monday to get the exact location."

"But I already..." (click) no point, he was already gone.

By Monday, Rushdie's publicists had relaxed the secrecy a little bit. The New York Times ran a prominent ad with the location of the event. The week also saw a flurry of pre-release reviews of the book. The New York Times Michiko Kakutani's review came out on the day of the event, delivering a harsh verdict. Also, via SAJA, I came across a caustic review in the London Sunday Times titled "Losing The Plot".

With the recent lifting of the fatwa, "Rushdie's personal fortunes have taken a welcome upturn. But true to his propensity for extreme ups and downs, his new novel, *The Ground Beneath Her Feet*, constitutes a steep literary downturn."

But even negative reviews appeared not to have dampened the enthusiasm of the crowd. Wednesday afternoon saw a massive line stretched around the block, with a large portion of punters from the subcontinent. There were even the young deshi activists, distributing flyers to the crowd that read "Free Mumia Abu Jamal, Join the Rally on April 23". Security was tight, with long checks at the door, metal detector sweeps, and comedy of errors as part of our party was sent back for lack of Photo ID. All told, the process of getting to seats took almost an hour. Then we had to battle

the lines at the Barnes & Noble book table to buy the autographed copies of "Ground". This being the official US publication day, B&N had prevailed on Rushdie to sign umpteen copies of the book in advance.

After a long wait, Rushdie came on stage to enthusiastic applause. After a few apologies for the security hassles, he began reading excerpts from the book. To be honest, after the first 20 minutes, the crowd grew a little restless. For those without a copy of the book open on their lap, it may have been rough going. Rushdie's sentences are long, rambling, and run-on under the best of circumstances. Imagine the strain of trying to follow the spoken word version!

Things perked up during the question-answer session. Here are some choice moments: Biggest chuckles:

"Well, clearly this is an alternate universe, because the biggest rock stars in the world are from India. So I thought I would throw in some more pieces of fantasy, as the reader has already swallowed a really big one."

Catfight moment: Rushdie's little dig@Vikram Seth: "Jane Austen managed to do it in 300 pages". Ouch! Little bit of professional rivalry there?

Heartfelt moment: Rushdie talking about how Bombay has charged, and describing the hostile environment for Indian Muslims who live there after arrival of BJP government (not putting names on doors, Muslim businessmen having to pay taxes, Shiv Sena rampant, etc).

Bomb scare moment: The auntie-ji who stepped forward with a flower bouquet, and then the se-

curity's slow-motion rush towards her. If she was carrying a bomb, it would have all been over before they got to her (for a moment, I had Rajiv Gandhi flashbacks).

Useless subtitle: Rushdie responding to said auntie, "Shukriya", then turning to crowd and saying "That means — Thanks". Uh, okay.

Finally, I muscled my way to the mike, just in time for the final question. In the introduction to his "Anthology of South Asian Literature", Rushdie made the claim that the best "South Asian literature was being written in English". I was not the first to raise the issue of the hundreds of books written in indigenous languages of Bangladesh, India, Pakistan and never became translated. The same question had been debated in the subcontinent after the anthology came out. Yet, Rushdie seemed a bit annoyed to be ambushed by the same question here.

Rushdie gave the same answer I had read elsewhere: that there had been no time to commission translations, so they had been forced to stick to the translated works. I debated raising the names of numerous Bengali books that I knew had been translated, but finally through better of it. The man's had a lonely 10 years in exile. No point in scaring him on his first outing.

reflection

Sindhi culture is at stake in their homeland

by Dr. A.H. Jaffor Ullah

THE other day I was listening to a Bengali song written and composed by famous Bengali poet Kazi Nazrul Islam (1899-1976). The lyric of this blissful melody goes like this --

"ganga, sindhu, narmada, kaveri, Jamuna oi bohiya choliche agermoto koire ager manush koi" The translation would be the following: "Ganga, Sindhu, Narmada, Kaveri, Jamuna, here they are Flowing as before. But, where did the ancient folks go? Rivers are the lifeblood of any country. Cultures have grown all over the globe centering great rivers. India is no exception. We are very lucky to have many good rivers in India. Narmada is a river that originated in Central India (Madhya Pradesh) and emptying in Arabian Sea in the coast of Gujarat. Kaveri is the river of Tamil Nadu. I am not so sure which Jamuna river the poet is referring here in this song; it could be either the Yamuna or Jumna river that passes through Agra and Allahabad in UP or the Jamuna river of northern Bangladesh. But of all the rivers of In-

dia the two most important ones are — Ganga and Sindhu. To me Sindhu river is more fascinating than any other rivers of India because its bank gave substratum to the most ancient civilization of India. The Sindhi people are the proud sons and daughters of those ancient people. But, do you know that this culture is taking hits from all sides. Some Sindhi people that I talked to are dreading that their ancient culture may not have a great future in its own backyard.

There are other reasons why I am so intrigued by Sindhi. There are so many references about the Sindhu River in Eastern Indian literature that it seems as if the poets of Eastern India never could forget to mention the name of this sacred river. Incidentally, the name of our subcontinent "India" is derived from the name Sindhu. The word 'Sindhi' later became "Hindi" or "Indi" in Farsi language. Our great poet Rabindranath Thakur was also fascinated with this mighty river. The other day when I was watching Satyajit Ray's movie "Charulata" I came across a melodious song where in the poet was

There are other reasons why I am so intrigued by Sindhi. There are so many references about the Sindhu River in Eastern Indian literature that it seems as if the poets of Eastern India never could forget to mention the name of this sacred river. Incidentally, the name of our subcontinent "India" is derived from the name Sindhu. The word 'Sindhi' later became "Hindi" or "Indi" in Farsi language. Our great poet Rabindranath Thakur was also fascinated with this mighty river. The other day when I was watching Satyajit Ray's movie "Charulata" I came across a melodious song where in the poet was describing the sheer beauty of a young maiden from Sindhu Desh.

describing the sheer beauty of a young maiden from Sindhu Desh. Enough of this excursion! Let me get back to the main topic of this essay, which is the plight of Sindhi people.

The creation of Pakistan in 1947 brought nothing but bad news for the ancient state of Sindhu Desh. Millions of Muslim people from all over India headed west towards Sindh. They brought their language Urdu and their culture (Bihari or Uttar Pradesh) to this new land. The Sindhi people and their culture suffered a great deal because of this onslaught of Muhajirs. Jinnah's lieutenant Liaquat Ali Khan needed a new constituency in the nascent nation. So he and his party (Pakistan Muslim League) engineered to open the floodgate of refugees to Sindh. I am afraid Sindhi people and their

culture was ravaged by the repatriation of refugees. The newly arrived "foreigners" never did understand the beauty of this ancient Indic language nor did they care to know the Sufi philosophy, which I believe is the Sindhi-ized version of austere Islam. The name Shahbaz Kalandar, the great 'Sufi of Sindh' didn't mean a thing to these new immigrants from UP and Bihar.

After fifty odd years the urban part of Sindh had changed so much due to anthropomorphic activities that it is no longer a part of the motherland Sindh. The original unadulterated culture of Sindh is being polluted by Urdu/Bihari culture of East India. The popular culture of Karachi, Hyderabad, Shukkur, and other urban areas had already influenced the indigenous Sindhi culture. Let us be honest here. The pop culture of

Sindh is bound to be Karachi-based culture. The television and radio programs, which will be Urdu-based, must leave an indelible mark on young Sindhi minds. What Sindhi people are supposed to do as the rapid transformation from Sindhi to Urdu culture continued unabated till this day?

Talking to some Sindhi people in April 1998 I learned that one has to visit desolated village far removed from Karachi and Hyderabad to experience an ambience of true Sindhi culture. This is an utter shame. Sindhi culture has to take a refuse in obscure village to maintain its purity!

I am a Bengali person who takes my culture very seriously. Although I have been living in the states for almost three decades, my wife and I taught our kids the essentials of Bangla culture. I hope the Sindhi people will immerse their children into rich and ancient Sindhu culture. They should not expect the state government to be the champion for Sindhi cause. Mind you that most influential people in Sindh are not Sindhis. So, how can one expect these foreigners, who still fondly call themselves Muhajirs, to become the

lover of Sindhi culture.

It takes thousands of years to develop a culture, but it may take only a fraction of that to ruin a well-developed culture. The mere presence of Muhajirs in Sindh should be taken seriously by all self-respecting Sindhi people. Unlike Bengalis and Sindhis, who are extremely open-minded people, the Biharis and UP-Wallas are very clannish and insular. These newcomers to Sindh had all but refused to assimilate in Sindhi culture. To show their disdain they still call themselves "Muhajirs." In most likelihood, after hundreds of years their great great children will still call them Muhajirs. I am afraid unless Sindhi people do something drastic to revitalize their culture in Sindhi land the future of this great culture looks very bleak. The onslaught of strong Urdu culture in the cities of Sindh portends an angst fraught with hopelessness. Thus, every self respecting Sindhis should reassess the impact of this intrusion of their cultural space by an alien culture, otherwise their cultural identity will be lost for ever.

Dr. A.H. Jaffor Ullah writes from New Orleans, Louisiana, USA