

## *Heterodox Economics Newsletter*

SOCIAL MURDER: AND OTHER SHORTCOMINGS OF CONSERVATIVE ECONOMICS, by Robert Chernomas and Ian Hudson. Winnipeg, Canada: Arbeiter Ring Publishing, 2007, ISBN 1-894037-31-6; 224 pages.

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*“[I]n the stylized world of conservative economics, no one has any more power than anyone else” (p. 9).*

It is by now part of the “conventional wisdom” of heterodox economics (not to mention leftwing politics) that the last thirty years of neoliberal restructuring has brought about a massive upward redistribution of income, wealth and power in the US and global economies. At the center of this process of neoliberalization is the large multinational or transnational corporation, which has sought to free itself of any external constraint on its relentless pursuit of ever greater profits. Perhaps equally important in this great (re)transformation of the global economy, away from the social democratic reforms of mid-century, is the reemergence of a virulent form of what Keynes referred to as “classical” economics and its role in providing ideological cover for this process of transformation. In spite of what many now agree has been a particularly devastating period for ordinary working people across the globe (as well as the global environment itself), these economists continue to push the neoliberal policy platform of government austerity, deregulation, privatization, and liberalization.

In their book *Social Murder: And Other Shortcomings of Conservative Economics*, economists Robert Chernomas and Ian Hudson of the University of Manitoba, attempt to “[examine] the connections between the destructiveness of global capitalism and the professional economists who help keep it that way” (back cover). The reason for this choice of emphasis is the fact that mainstream, or conservative, economics ignores the role of corporations as *the* dominant economic, political, and social institution in contemporary society. Furthermore, the main thrust of conservative economics is that corporations should be allowed to pursue maximum profits free of external constraints, regardless of the social consequences. Their book, consequently, attempts to detail the havoc wreaked by contemporary global capitalism and, at the same time, relate this havoc to the shortcomings of conservative economic theory and policy.

The book is divided into seven chapters following a brief introduction on the concept of social murder. Each chapter attempts to demythologize—through the use of a few brief case studies—a particular argument put forward by conservative economists who attempt to justify unfettered “free markets.” The first chapter, “Mistaking the Symptom for the Disease: Macroeconomic Stability and Conservative Economics,” questions the conservative view that competitive markets automatically tend toward full employment and economic stability. The second chapter, “The Weakness of the Market and the Dynamism of the State,” debunks the standard conservative claim that profit-seeking firms operating in competitive markets are the main source of innovation and dynamism in a capitalist economy. The third chapter, “Just Desserts: Market Income and Michael Jordan,” examines the conservative view that market-determined incomes are both efficient and fair and that government attempts at redistribution actually increase unemployment and poverty. The fourth chapter, “Free to Abuse: The Market, Social Murder, and Public Mayhem,” considers the anti-regulatory stance of conservative

economics. The fifth chapter, “The Corporate Pandemic,” explores the economic and social determinants of health in an advanced capitalist economy.<sup>1</sup> The sixth chapter, “Thinly Veiled: The US as a Force for Democracy and Prosperity,” challenges the claim that American capitalism represents *the* model to emulate across the globe. The concluding chapter, “That’s Democracy for You,” turns to the question of why, given its negative consequences, conservative economic policy appears to retain significant support from the underlying population.

While critiques of global capitalism and conservative economics have become standard fare within heterodox and leftwing writings on popular economic issues, this pithy volume nonetheless offers a number of interesting arguments written in a highly accessible and readable manner. The central organizing concept of the book is the notion—taken from Engels’s *The Condition of the English Working Class in 1844*—of “social murder,” by which the authors mean activities which knowingly lead to socially destructive consequences. These consequences range from unemployment, poverty, and inequality to environmental destruction, disease, and death. Though this choice of terminology may come across as somewhat sensationalist (as might the front and back cover, which sports a soup bowl filled with blood and a spoon dripping with the same), it certainly points to what should be a rather uncontroversial moral principle, which almost everyone accepts as applying to cases of individual acts of violence, but just as many ignore in the case of more indirect and diffused forms of violence. For example, the fact that pharmaceutical companies regularly keep lifesaving drugs out of the hands of people who cannot afford to pay inflated prices (chapter 2) or that the lead industry lobbied for half a century to keep consumers from knowing about its harmful effects (chapter 4) is just as malicious as individual acts of murder. Furthermore, when these negative consequences are the systemic outcome of an economy based on production for private gain it is a wholly different issue from such crimes of passion.

If the world is to move beyond such a socially and environmentally destructive system, it will require ordinary people to recognize the links between the obvious social ills of unemployment, pollution, and disease and the “free market” economics of global neoliberalism. This book, by providing both case studies and non-technical economic theory, is a step in the right direction. However, it is only a step, for what is needed in addition to critique are solutions and alternatives—the one thing this book lacks. For the one conservative claim that is not debunked in this book is that heterodox and leftwing economists lack any positive programs and only engage in negative criticism. Perhaps as a sequel, the authors should consider writing an equally well-written and accessible account of what life might look like in a world no longer dominated by greed and social murder.

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<sup>1</sup> This chapter strays somewhat from the others in that it doesn’t single out a particular conservative claim for criticism. Nonetheless, it is perhaps the most interesting chapter in its demonstration of the idea that capitalism is literally bad for your health.