

Chomsky on the Economic Crisis

[This is a response to a friend, on May 10, 2009 asking for my opinion of Noam Chomsky's views about the current economic crisis. A link to one of the video interviews with Chomsky on this topic is included at the bottom. -S.H.]

Hi ----,

I watched the video at the link you provided below, and also 4 or 5 other interviews with Chomsky about the economy that took place more recently, also by Paul Jay of "TheRealNews" network. This is sort of my summation of all these interviews, together with what I know of Chomsky's comments on economics that I've read in the past.

1) First, Chomsky has a very weak understanding of political economy in general, and of crisis theory specifically. While Chomsky is a world-renown linguist, and obviously a very intelligent and progressive person, it is always surprising and disappointing to me to see just how conventional and unenlightened many of his views are in other areas.

2) Specifically, Chomsky seems to have little or no understanding or appreciation of Marxist political economy. In none of these interviews does he even mention Marx, or any Marxist principle in political economy. While he does criticize "the economics profession" and the standard views of that profession, it does not seem to occur to him that there may be alternative theories which are much more sensible than those.

3) Chomsky does say that there are many aspects to the current and developing economic crisis, and not just the financial crisis aspect. But he says the "more fundamental" aspect of the crisis lies in the enormously wasteful and inefficient private *healthcare system* in the U.S. This is startling, not because he isn't correct in thinking that the massive and growing health care crisis in this country is also a major economic problem, but because he seems oblivious to the truly most fundamental aspect of the current crisis, the crisis of the *overproduction of capital!* He seems not to understand or recognize that at all!

In fact, the interviewer, Paul Jay, may have a better understanding of this than Chomsky does! At a couple points in these interviews Jay tries to prod Chomsky to say something about what this (partial) collapse of consumer debt might mean for the economy, but Chomsky is unable even to take the hint.

4) In one of the interviews Chomsky says he doesn't expect another Great Depression to develop. On several occasions he says that the government "might" be able to get things under control in a year or two, and things will then be back to normal (except for the health crisis part). This shows the shallowness of his understanding of the crisis, which really is in his mind based mostly on the financial crisis aspect of things.

It is true that there will be ups and downs within this crisis, and that will continue for years. Probably things will partially stabilize for some months toward the end of this year, for example, before resuming

the downturn when the current burst of Keynesian deficit financing noticeably weakens next year. But the overall trend is definitely in the direction of a new depression, and the only real question is how long will take to get there (a year or two, or a few more than that).

5) Chomsky says in the “Part 3” interview that it is important to provide “critical support of measures to patch things up”. He doesn’t say precisely which measures he is referring to, but presumably this might mean “critical support” for the handouts of hundreds of billions or trillions of dollars to the big banks and financial institutions. This is totally outrageous in my opinion!

6) Chomsky focuses a lot on the question of democracy, which is of course good. But he says some ridiculous things in this sphere too, such as that present-day corporations can be fundamentally democratized, and so forth. It just ain’t going to happen.

7) Chomsky never mentions revolution, or the necessity of it. Instead, despite his reputation as an “anarchist”, he is not really a revolutionary at all, or of any stripe. He is actually a radical reformer, who champions a lot of good things (genuine democracy by the masses), without having the slightest idea about how to bring this about.

About the only real proposal in these interviews is to try to rebuild the labor movement. But even there he gives no suggestions for how to go about doing this.

I continue to have a lot of respect for Chomsky and the role he has been playing as America’s most prominent radical intellectual. But really, as Marxists, we have to also recognize his great shortcomings both in his understanding of the political and economic world, and in his proposals for changing it.

Scott

bcc: Other friends

----- Original Message -----

Sent: Saturday, May 9, 2009

Subject: Chomsky on the economic crisis

Hi Scott, here’s an interview with Noam Chomsky about the economic crisis. Tell us what you think if you have time.

<http://www.youtube.com/watch?v=kTtPYM8RSDE&feature=related>

Best, -----