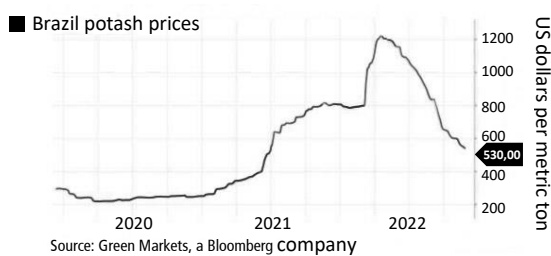


Cereals and fertilizers

An illustrative situation of the anarchy of mercantile production and how the capitalist market system is incompatible with the satisfaction of human needs has arisen with US wheat (see box).

As a result of the dollar appreciation, US wheat has become too expensive to be purchased from other countries, falling to a 50-year export low. What effect has this had within the US? Within the US there has been a relative overproduction of wheat that has caused the wheat futures market to fall to the lowest level since 2007.

Another irrational situation has involved fertilizers and Brazil: *"Brazil, which normally relies on fertilizer imports for crop yields, is re-exporting shipments because there is nowhere to store them (...) an importer will re-export 24,700 tons of DAP fertilizer that had arrived from Jordan, now, the shipment will be sent to Turkey in the next few days."* (Reuters, 11-10-2022).



From a trade war point of view, Russia has managed to displace Ukraine as a competitor, consolidating its position as the world's leading wheat exporter, followed by the EU, Australia, Canada, the USA and, only then, Ukraine.

With jolts every time it has to be renewed, the agreement allowing Ukraine to export grain and other crops from key Black Sea ports also means a drastic reduction in its export capacity: *"A queue of 105 ships was waiting in Turkish waters as of Monday, with some stalled for more than a month (...) More than 500 ships have departed Ukraine's Black Sea ports since the deal was inked in July, carrying 12 million tons of crops abroad. (...) delays - coupled with strikes on Ukrainian infrastructure - are forcing local farmers to sell at discounted prices."* (Bloomberg, 29-11-2022).

The overall damage to Ukrainian capitalism from the military conflict is obvious: *"Last year, the economy contracted by 30% and unemployment reached 35%. More than 75% of the companies stopped or reduced production."* (Expansión, 27-03-2023). *"Nibulon also shipped grain for 4,500 private farmers at farm-to-ship transport costs as low as \$5 a tonne. (...) With no access to the Black Sea and much of the Dnipro off limits, the invasion pushed up transport costs to over \$150 a tonne. (...) from a record 5.6mn tonnes in 2021, Nibulon's exports dropped last year by two-thirds to 1.8mn tonnes."* (Financial Times, 22-03-2023). A part of the grain manages to leave by land to neighboring states since, at the beginning of the war, the EU withdrew tariffs on imports from Ukraine.

A CARDINAL POINT OF THE COMMUNIST PROGRAM: THE ELIMINATION OF THE ANARCHY OF MERCANTILE PRODUCTION

The following two fundamental quotations from Marxism explain that as long as commodity production and the law of value remain in place, all these uncontrollable upheavals and convulsions are inevitable. ***"(...) every society based upon the production of commodities has this peculiarity: that the producers have lost control over their own social interrelations. Each man produces for himself with such means of production as he may happen to have, and for such exchange as he may require to satisfy his remaining wants. No one knows how much of his particular article is coming on the market, nor how much of it will be wanted. No one knows whether his individual product will meet an actual demand, whether he will be able to make good his costs of production or even to sell his commodity at all. Anarchy reigns in socialised production. But the production of commodities, like every other form of production, has its peculiar, inherent laws inseparable from it; and these laws work, despite anarchy, in and through anarchy. They reveal themselves in the only persistent form of social interrelations, i.e., in exchange, and here they affect the individual producers as compulsory laws of competition. They are, at first, unknown to these producers themselves, and have to be discovered by them gradually and as the result of experience. They work themselves out, therefore, independently of the producers, and in antagonism to them, as inexorable natural laws of their particular form of production. The product governs the producers."*** (Anti-Dühring, F. Engels, 1878).

Only when we put an end to mercantile production will humanity be able to proceed to the planned and conscious organization of production and distribution.

"With the seizing of the means of production by society, production of commodities is done away with, and, simultaneously, the mastery of the product over the producer. Anarchy in social production is replaced by systematic, definite organisation. The struggle for individual existence disappears. Then for the first time man, in a certain sense, is finally marked off from the rest of the animal kingdom, and emerges from mere animal conditions of existence into really human ones. The whole sphere of the conditions of life which environ man, and which have hitherto ruled man, now comes under the dominion and control of man, who for the first time becomes the real, conscious lord of nature, because he has now become master of his own social organisation. The laws of his own social action, hitherto standing face to face with man as laws of nature foreign to, and dominating him, will then be used with full understanding, and so mastered by him. Man's own social organisation, hitherto confronting him as a necessity imposed by nature and history, now becomes the result of his own free action. The extraneous objective forces that have hitherto governed history pass under the control of man himself. Only from that time will man himself, with full consciousness, make his own history—only from that time will the social causes set in movement by him have, in the main and in a constantly growing measure, the results intended by him. It is the humanity's leap from the kingdom of necessity to the kingdom of freedom." (Anti-Dühring, F. Engels, 1878).