

## Practical socialism

Any discussion of the subject of Socialism as a practical alternative to capitalism must begin with a clear idea of what is meant by socialism. The Socialist Party defines this under the three broad headings of common ownership, democratic control and production solely for use. By common ownership we mean an equal relation between all people to the means of production. By democratic control we mean that social policy and action will be decided by the whole community. Production solely for use will replace the present capitalist system under which goods take the form of commodities for sale on the markets. In socialism, voluntary co-operation will produce goods directly for needs without the intervention of buying and selling.

This definition clearly distinguishes socialism from capitalism and because the Socialist Party has maintained this as its sole political objective we are the only party able to consider sensibly how these principles of socialist organisation can be applied in the modern world.

### Material Factors

At this point we have to be aware of some dangers in our thinking. Because socialism is a society which is yet to be established we might be tempted to think we have unlimited latitude in the way we consider the alternative society or that we are free to indulge our ideal personal preferences in a quite arbitrary way. This is not the case. In adopting a sound Marxian method, we have to accept that our thinking must be constrained by a background of existing material factors and unless we are guided by these we could lapse into a quite useless utopianism. Marxian literature contains extensive references to the difference between utopian socialism and practical revolutionary socialism. Marx and Engels wrote, for example, in *The German Ideology*:

“Communism [or socialism] is not for us a state of affairs which is to be established...an ideal to which reality will have to adjust itself. We call communism the real movement which abolishes the present state of things. The conditions for this movement result from the premises now in existence” (Lawrence and Wishart, 1970 edition, pp 56-57).

This is again emphasised later on:

“In reality and for the practical materialist, i.e. the communist, it is a question of revolutionising the existing world, of practically attacking and changing existing things” (p.62).

So Marx is here saying that to dream up some ideal state of affairs and then expect society to adjust itself to this futuristic vision is quite useless. This is not practical revolutionary socialism. The only sound method is to base our proposals on the present state of things. This shifts the focus of our thought and action from the “future” to the practical work of revolutionising the existing world.

In our own day, what are the important elements which constitute the present state of things? These are the conditions of the working class and the problems they face in their continuing struggle with the capitalists or the state. These also include the availability of the vastly developed powers of production, world communications, the administrative machinery and political institutions. Therefore practical socialism has to develop its proposals from the problems faced by the working class now and the material means which are presently to hand to solve them once released from the constraints of class society.

### **Marx's Day**

In criticising the utopians of his own day who based their ideas on highly abstract concepts such as the "essence of man" or "ideal man", Marx did provide an excuse for them: "In Germany, a country where only a trivial historical development is taking place, these mental developments, these glorified and ineffective trivialities, naturally serve as a substitute for the lack of historical development." This referred to the fact that capitalist industrialisation was at its most advanced in Britain and therefore Britain provided the conditions for a revolutionary socialist movement based on the realities of the class struggle. However, in world terms, this development was relatively local and Marx's comment can also apply to the great difference between the position that he was in and the state of things as they now exist at the end of the twentieth century.

At the time Marx was writing relatively few of the world's population were engaged in the class struggle between capital and labour and these workers did not have the vote. Now, the vast majority of the world's industrial population get their living as wage workers. Goods are now produced by a worldwide structure of production. The development of world communications has broken down the barriers which separated peoples in the nineteenth century. In every sphere of life there has been a development of useful administrative institutions, including many world bodies. Millions of the world's workers are free to organise politically.

As distinct from Marx's day, now there is not only a common interest in the establishment of socialism among workers throughout the world but the political means of attaining it exist together with the productive and administrative means of socialist organisation. So, in the nineteenth century the lack of historical development did not only apply to the utopians criticised by Marx; it was also a greatly inhibiting factor for him too when it came to putting forward practical revolutionary proposals for how socialism could be organised to deal with working class problems. What he was able to do was formulate the sound principles on which the work should be done.

### **Practical Movement**

Marx also recognised that the success of the socialist revolution would depend on the growth of socialist consciousness on a mass scale and that these changed ideas could only develop through a practical movement:

"Both for the production on a mass scale of this communist consciousness, and for the success of the cause itself, the alteration of men on a mass scale is necessary, an alteration which can only take place in a practical movement, a

revolution” (pp 94-5).

A great deal has been made of the remark by Marx that he was not interested in writing recipes for the cook-shops of the future. His point was to emphasise his dissociation from those utopians who construed socialism as an ideal futuristic society. For Marx, a practical movement had to formulate its proposals and set its revolutionary objectives within the framework of possibilities and limitations given by the conditions of the here and now; and this was vital for the work of changing ideas.

These conditions have been vastly altered. As we now see, the limitations on revolutionary activity since Marx’s time have been greatly reduced and, conversely, the possibilities have been greatly expanded. As we are now active in a highly developed world capitalism which has established an adequate material basis for socialism, it is our task to apply the principles laid down by Marx in pursuing the work of revolutionary socialism. In this way our practical proposals for the re-organisation of society on a socialist basis can now support analyses of working class problems with descriptions of alternative arrangements developed directly from everyday experience. This is indispensable to the work of building up the socialist movement.

The key to developing our revolutionary proposals from the known facts of everyday experience is given by the distinction Marx made between the usefulness of production and administration on the one hand and the value factors which determine their economic mode of operation under capitalism on the other. When we say that socialism will produce for use, this will not be new: every society must produce for use. Marx put it as follows:

“So far as therefore labour is the creator of use value, is useful labour, it is a necessary condition, independent of all forms of society, for the existence of the human race: it is an eternal nature imposed necessity without which there can be no material exchanges between man and nature and therefore no life” (*Capital*, Vol.I, Chapter 1, section 2).

When we argue that production in socialism will be solely for use, the word “solely” is an important qualification which accepts that production for use already takes place, but under capitalism is subject to the economic constraints of class interests. When we come to the question of how production solely for use will operate in socialism we begin with the fact that a world-wide structure of useful production already exists and therefore we already have a working model in front of us. The task is to identify the useful mechanisms which co-ordinate production and distribution now as distinct from the value factors of buying and selling in the markets, which under capitalism constrain useful production. In socialism, these useful mechanisms will operate on their own, freely and directly for need. In addition, our proposals for practical socialism should include the ways in which useful institutions and decision-making bodies could also be adapted from “the existing state of things”.

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Our practical proposals for the organisation of production in socialism are not based on arbitrary speculations about future society. These are developed, as Marx insisted they should be, from “the existing state of things”. In socialism, useful labour will produce goods and provide useful services directly for needs. In outlining the ways in which this could operate we begin from the fact that a world-wide structure of useful production already exists.

Under capitalism, useful production serves privileged class interests and is geared to all the conditions of the market, buying and selling and the profit motive. With the establishment of socialism these class features will be abolished, leaving the useful factors to operate freely and directly for needs. The mechanisms which co-ordinate the structure of useful production now will be continued into socialism.

Modern production is an immense structure throughout which even a simple article has a complex productive history involving a world-wide division of labour. For example, the components of a ball-point pen include a plastic holder, a plastic tube containing ink and perhaps a brass ferule joining the steel ball point to the tube. Yet these few components and their materials are the products of metal mining and processing, the oil and chemical industries, energy supply, and world transport. These features of modern production are widely dispersed and, in supplying each other with processed materials and finished components, they combine to produce goods with no single or overall plan. Instead, they operate in a way which is self-regulating. Each mine, industrial plant or manufacturing unit and each point in the distribution of materials and goods performs its function without having to know what is happening in all the other parts, even though it may depend upon what these other parts are doing.

### **Useful Stream of Information**

A copper mine in Zambia receives orders from around the world and this is sufficient information to signal it to begin mining activity. A plant processing brass in Britain may order quantities of copper from Zambia and quantities of zinc from Australia, and on receiving these materials it produces brass which it then supplies to the units producing things like ferrules for ball-point pens. At a further stage in this sequence, the unit which produces brass ferules supplies them to the unit which assembles ball-point pens. In response to its orders, this point of final assembly then supplies them to the distribution system and eventually they are taken up by the users.

This communication of required goods and materials operates as a sequence of signals throughout the entire structure of production, indicating what each part of the structure should do. If orders exceed stocks, this indicates more production. Conversely, if stocks exceed orders, this indicates reduced production. Without any need for a single, overall plan, this will operate in socialism as a system of self-regulating production directly for need.

This useful stream of information begins with consumer needs and then flows throughout

distribution and on to each required part of the structure of production. In the opposite direction, throughout the markets under capitalism, there takes place a contra-flow of information. It flows from producers, through distributors, to the consumer. This information is the prices of goods determined by the accumulating costs of production and distribution plus profit. Prices are increased in each part of production, from mining through industrial processing, manufacture and assembly, then accumulating further through distribution until the final price is passed on to the consumer.

Whereas the useful flow of information expresses needs and both stimulates and coordinates the production process, the opposite flow of information about the prices of goods constrains production by restricting it to what can be sold at a profit. In this way the effects of the market, with its buying and selling, are disruptive in that they erect economic barriers against the free use of society's productive powers. The effects of the market also load production and distribution with a burden of wasteful activities which vastly reduce overall productive efficiency. A further related fact is that the disruptive effects of the market constrain the rational allocation of resources for needs.

### **Waste of the Market**

This is most obviously demonstrated by the countless billions of work days which have been lost over recent years as a result of unemployment and the fact that it has not been profitable to employ the workers concerned. Unemployment has excluded from production a wide range of human skills vital for the well-being of the community and represents a lost opportunity to produce of incalculable magnitude. Due to the constraints of the market we have seen from time to time an accumulation of unsold stocks of goods that people have desperately needed. This has included such things as building materials when many people are homeless. Millions of hectares of land in Europe and America have been taken out of production because of limited market capacity for food sales, while at the same time millions have died of hunger.

Because of economic rivalries between capitalist states, millions of people are held in military forces and vast resources including materials, sections of industry, manufacture, energy supply and high technology are diverted into armaments production. Because of the high costs involved, the techniques which are now available for reducing emissions of sulphur dioxide from coal-burning power stations have not been applied. As a result, this pollution continues.

The economic mechanisms of the market serve no socially useful function whatsoever. On the contrary, their effects are entirely destructive. The function of cost/pricing is to enable a business enterprise to calculate its costs, to fix its profit expectations within a structure of prices, to regulate income against expenditure and, ultimately, to regulate the exploitation of its workers.

With the establishment of socialism these economic barriers against the free flow of information about consumer needs to the structure of useful production will be swept aside. People in mining, industry, manufacture, farming, energy supply and transport will in the first instance carry on with what they are doing, together with the people running useful services such as hospitals, education, communications and so on. The basic

difference will be the new relationships in which they carry on this work. Instead of being employed as wage workers by capitalist companies or state capitalist enterprises, they will be able to work in voluntary co-operation with each other to provide goods and services directly for the needs of the community.

A proviso is that the self-regulating mechanisms which have been outlined, although adequate for an existing useful structure of production, will also operate against a background of democratic planning where further development is required. With the elimination of wasteful and destructive activities, however, vast resources of people, materials, means of production and technique will become available. Any such development would take place in accordance with a balance of needs and not the least of these would be a proper care of the environment.

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