

Labour time vouchers

THE first to suggest the use of labour-time vouchers instead of money was Robert Owen in 1820. The Owenites stood for a society of co-operative communities. Each community would own its own means and instruments of production and each member of a community would work to produce what had been agreed was needed and in return would be issued with a note certifying for how many hours he had worked; he could then use this note to obtain from the community's stock of consumer goods any product or products which had taken the same number of hours to produce. Owen believed that this co-operative commonwealth could begin to be introduced under capitalism and in the first half of the 1830s some of his followers established "labour bazaars" on a similar principle: workers brought the products of their labour to the bazaar and received in exchange a labour-note which entitled them to take from the bazaar any item or items which had taken the same time to produce, after taking into account the costs of the raw materials. These bazaars were failures but the idea of labour-time vouchers (or "labour-money") appeared in substantially similar forms in France with Proudhon and in Germany with Rodbertus and is one source of currency crank theories.

Those who advocate labour-time vouchers can have two different circumstances for their use in mind. Like Robert Owen, they can advocate their use within the context of co-operative ownership and production for use or, like Proudhon, within the context of private ownership and production for sale. Marx exposed as currency cranks those who wanted labour-time vouchers and buying and selling. Where goods are produced for sale, he pointed out, sooner or later one commodity will emerge as one which can be exchanged for all the others. This special commodity is of course money and its appearance signifies the end of barter. To perform this role of the medium of exchange the commodity must itself have an exchange value. Money is basically a special commodity, a fact which is obscured by the later evolution of money where almost worthless coins and notes have come to circulate as tokens for the money-commodity. Those who advocate the abolition of money and its replacement by labour-time vouchers while retaining production for sale are thus, said Marx, quite confused; wherever there is production for sale one commodity must become money (see his comments in his *Critique of Political Economy* on the theories of John Gray).

Within the context of common ownership and production for use, however, labour-time vouchers are quite feasible. Then they are not money at all, but merely a method of sharing out consumer goods. As Marx said of the Owenites' plan for a co-operative commonwealth:

Owen's "labour-money", for instance, is no more "money" than a ticket for the theatre. Owen presupposes directly associated labour, a form of production that is entirely inconsistent with the production of commodities. The certificate of labour is merely evidence of the part taken by the individual in the common

labour, and of his right to a certain portion of the common produce destined for consumption. (Capital, Vol. 1, Moscow, 1961. pp.94-5)

Engels says much the same in his comments in Anti-Duhring on Owen's labour-notes.

The German Social Democrats of the 1860s and 1870s inherited the idea of distribution according to labour-time from Rodbertus. They envisaged a system where, with the means of production vested in the community, workers would be given a labour time voucher entitling them to a share of the social product; thus they would, as Lasalle put it, get "the full product of their labour". This phrase is confused because, if everything produced in a given period is distributed in full for consumption, then nothing would be left over to renew and expand the means of production or to store in the case of emergency. This point was made by Marx in one of his criticisms of the Gotha Programme which was adopted by the German Social Democrats in 1875 when the followers of Lasalle united with the group with which Marx and Engels had been working. In the course of this criticism Marx made his well-known statement about labour-time vouchers in Socialism ("not as it has developed on its own foundations, but ... just as it emerges from capitalist society"):

The individual producer ... receives a certificate from society that he has furnished such and such an amount of labour (after deducting his labour for the common funds), and with this certificate he draws from the social stock of means of consumption as much as costs the same amount of labour. The same amount of labour which he has given to society in one form he receives back in another.

(Selected Works, Vol. 11, Moscow, 1958, p.23)

Supporters of state capitalist Russia have used this passage to try to show that Marx thought that money could exist in Socialism. This is so much nonsense since elsewhere Marx specifically stated that labour-time vouchers were not money (see his comments on Owen quoted earlier):

The producers may ... receive paper vouchers entitling them to withdraw from the social supplies of consumer goods a quantity corresponding to their labour-time. These vouchers are not money. They do not circulate.

(Capital, Vol. 11, Moscow, 1957, p.358)

Marx nowhere states that labour-time vouchers were the only method of distributing wealth in Socialism; they were only one possible method.* The actual method adopted would depend on the circumstances (Capital, Vol. 1, pp.78-9). Alternatives were suggested, as for instance by Edward Bellamy in his Looking Backwards written in 1887. He wanted everybody in Socialism to be issued with a credit card entitling them to obtain an equal amount of consumer goods. In any event, later on in his criticism of the Gotha Programme Marx made it quite clear that if labour-time vouchers were used in Socialism this would be a temporary measure imposed by the comparatively low level of technology. In time, he saw, when the "springs of co-operative wealth flow more abundantly" Socialist society could abandon labour-time

vouchers (or whatever) and go over to "from each according to his ability, to each according to his needs", that is, to free access to consumer goods.

In 1875 the then existing level of technology might well have meant that many consumer goods would unavoidably be available only in limited quantities for some years after the establishment of Socialism. But in the hundred years since, technical progress has made it possible for the springs of co-operative wealth to flow more abundantly than Marx could have foreseen so that free distribution-to each according to his needs-can be implemented almost immediately after Socialism has been established.

Potential abundance has made the idea of labour-time vouchers quite outdated.

*Baran and Sweezy are quite wrong when they write in their *Monopoly Capital* (Pelican, p.325) that "Marx emphasised in his *Critique of the Gotha Programme* that the principle of equivalent exchange must survive in a socialist society for a considerable period as a guide to the efficient allocation and utilization of human and material resources". For Marx there was no "must" about labour-time vouchers (and so more or less "equivalent exchange"); they were just one possible way of allocating consumer goods before free access could be introduced.

(MAY 1971)