

WHY THE WORLD NEEDS SOCIALISM?

The collapse of the USSR and its lessons.

The progressive character of any mode of production is measured by its ability to improve the standard of living of its people. It is obvious that in the advanced capitalist countries as well as an increasing number of developing countries, this progressive character has been lost. Here a growing majority is experiencing a sustained fall in their standards of living. The rich are getting richer and everyone else is getting poorer. In the United States, the standard of living of the majority of its workers has fallen to 1973 levels despite the enormous growth in productivity during that time. Capitalism is thus haunted by a spectre; a society that can no longer provide for its populations. A society that condemns its people to a future blighted by poverty and financial insecurity, has lost its purpose for being, its historical legitimacy. It needs to be urgently superseded by a mode of production which does the opposite, one which ensures the whole of society is permanently enriched and made secure. Such a society is of course a socialist society.

WHAT ABOUT THE USSR AND EASTERN EUROPE?

The USSR is used to shame those who propose the socialist transformation of society. In firm tones we are told that the USSR demonstrated once and for all that socialism does not work and that therefore there is no alternative to the market. The USSR however was neither socialist nor capitalist but a uniquely dysfunctional socialised economy. True private ownership of the means of production had been abolished, which is why it was able to industrialise so quickly and defeat the Nazi invasion. But it was also true that exploitation had not been abolished, due to the conditions prepared by the civil war (1919-22) and the defeat of the German Revolution of 1923. Behind this counter-revolution stood the capitalists themselves. So, just as we do not invite rapists into our schools to teach our children sex education and etiquette, we do not invite the capitalists to teach us about the USSR, when they were guilty of preparing the conditions for the rise of Stalin.

In a socialist society, an objective pricing system replaces the crude profit motive of capitalism as the coherer and economic driver of such a society. We have written elsewhere why the Stalinist bureaucracy was unable to deliver an objective pricing system (theplanningmotive.com) because of the need to disguise its exploitation of the working class. Here prices were largely fictional dooming the economy to inefficiency and ultimately to ruin. In short what the USSR proved, is that there is no viable exploitative mode of production after capitalism. There is only socialism which requires not only the abolition of private ownership of the means of production but all relations of exploitation as well.

THE NECESSITY FOR SOCIALISM.

Born in Africa, the human race is between two hundred and two hundred and fifty thousand years old. About eighty thousand years ago volcanic activity changed the ecology of Africa and the human race was forced to walk the planet in search of food. For all that time we were hunters and gatherers. About ten to twelve thousand years at the head of some of the world's great rivers, not only the Nile, our species learnt to farm selected grasses. And through irrigation, they learnt the advantages of co-operative labour.

This transformational leap in productivity ended the long period of hunter-gatherer societies and ushered in the epoch of agricultural societies. For the first time in our history, a permanent agricultural surplus emerged, allowing a section of society to imagine not working by making others work for them,

and through the labours of others to thereby raise themselves above the general condition of society. Private property and classes now emerged. Society came to be split between those who owned but did not work and those who worked but did not own. Slave master confronting slave.

For over ten thousand years agricultural production dominated society limiting its economic development. Empires grew and fell depending on their ability to secure a sufficient agricultural surplus. It was only 600 or 700 years ago, in Europe that the conditions for a higher mode of production, emerged. The land was privatised, serfs and peasants were driven off the land to become property less labourers forced to work for others and sufficient foreign theft had taken place to provide monetary fortunes. Bleeding from every pore capitalism was born. Here was a society, the first in human history, which was capable of replacing agriculture with industry. Through the factory system that capitalism brought into being, weak muscle was replaced by steam iron and the world was revolutionised for ever. This new industrial order shrank the planet and created a world economy.

Capitalism, driven by the profit motive is the highest expression of private property and its realisation. Under its rule, everything can be bought and sold and turned into potential capital. However, even before Marx's time, it was noted this system had its ups and downs, its periods of expansion and contraction. It took Marx's investigations to reveal the cause: why it was that the profit motive could drive the economy forward at one point only to hold it back at another point.

Clearly this repeated cycle of production followed by destruction marked and marks capitalism as an impermanent economic mode of production, one that cannot indefinitely satisfy the needs of the billions that inhabit this planet or the planet itself. As capitalism develops and the composition of capital grows, these cycles necessarily become more convulsive and more destructive. Since 1970 there have been 6 major global economic crises. Each recession has impoverished more and more people while each expansion has enriched fewer and fewer resulting in a systemic increase in economic inequality. Today only the top 3% benefit from capitalism in countries like the USA.

Capitalism was an inevitable stage in the economic march of humanity from the vale of scarcity to the Garden of Eden. Its success lays the material foundations for a socialist society and its failures make the struggle for such a society necessary. Only a socialist society can permanently unlock the productivity of labour to serve the needs of the many, not the profits of the few, and by doing so to begin solving the problems of humanity and the planet we inhabit.

WHAT IS SOCIALISM?

It is a society where we work for ourselves by working communally and owning the means of production collectively. It is a society where we are no longer divided by production but only by consumption. It is a transitional society that overcomes the legacy of capitalism, which ends classes and heals the divisions within the international working class inherited from capitalism. We base our principles not only on the writings of Marx and Engels, but most importantly on the lessons drawn from the collapse of the USSR.

- a. The abolition of the private ownership of the means of production, distribution and information. It ends the ten thousand year division of society between those who own and do not work and those who work and do not own. It ends the separation of the producers from the means of production that forces them to work for the owners of these means of production. It empowers the working class who are now elevated to the ruling class. There can never be true democracy in a world divided between a minority who own and a majority forced to work for them.

From the outset we need to draw a strict distinction between the means of production and articles of consumption. Articles of consumption remain private property and this includes housing. The results of production destined for personal consumption remains the property of the individual consumer and not society.

The necessary legal step by which private property becomes social property is state property. It is the preliminary step for property to become non-property. When everyone owns the means of production, no one owns the means of production. It ceases to be property. The land is seen for what it is, land and not property. The factories are seen for what they are, awe inspiring factories and not property. Fences, when not needed to isolate dangerous areas will be consigned to history. The state which was born out of the emergence of private property ceases to exist with the abolition of property itself. Those who speculate about the ideal form of ownership after the revolution miss the point. It is not about forming co-operatives vs state property vs small enterprises. It is about property ceasing to become property so we work in accordance with the plan and the technical requirements of the plan. Workers in a co-op for example also own the means of production within the temporary state sector, just as workers in the state sector own the means of production in the co-ops. Non-ownership of means of production thus automatically puts to an end these artificial boundaries just as it puts to an end to the state once the socialist economy is flourishing.

In the USSR property in the means of production and distribution remained state property and the state was dominated by the bureaucracy. Its purpose was not to end itself, or to end property in production, instead its purpose was to guarantee the privileges of this bureaucracy through authoritarian rule

- b. Control of the social product and its surplus. Workers control over production is often understood as control over the workplace - worker management. This is the beginning of workers control not the end. What the USSR demonstrated is whoever controls the surplus of society controls that society. In the USSR the wage fund only covered part of the labour produced. Labour was deliberately under-priced. The rest ended up in the hands of the bureaucracy through their additions of taxes and profits. It was these taxes and profits that paid for investment, for the state (and the oppression of workers) and the privileges of the bureaucracy.

In his Critique of the Gotha Programme, Marx showed that when the workers owned the social product, the 'surplus product' took the form, not of additions, but deductions. Workers were to be paid for the entire social product. They then decided democratically and collectively how much to deduct from their pay in order to pay into a collective fund to finance investment, care of those unable to care for themselves, for health, education, state administration, insurance which includes environmental repair and so on.

These deductions, this agreed surplus for want of a better word, constitutes the social domain. The right of workers to decide how big this pot is, constitutes the highest expression of working class democracy as does controlling it and ensuring it is spent efficiently in the areas it has been assigned to. Workers control of this surplus ensures they remain the ruling class for the management of this surplus constitutes the commanding heights of the economy.

- c. From each according to their contribution to each according to their contribution. We now enter the private domain of socialism. We refer of course to that section of the economy that remains after the social deductions, the sphere of production destined for personal consumption.

The most significant and enduring legacy of capitalism is the vertical division of skills. Of all the divisions we inherit, this will take the most time and resources to eliminate. We inherit not only hospital porters but consultants, not only road sweepers but computer scientists. As a result of this division of skills not every worker contributes equally to production. The more skilled workers contribute more and the less skilled less.

If every worker received an equal wage, some would receive back more and some less than they contributed. This equal right, this equal 'wage' turns out to be an unequal right and would be divisive. Instead equal right here means unequal 'wages'. Receiving in proportion to contribution, that is to say working for oneself, is necessary for as long as the inequality of skills is not ended. Of course like all rights, it may be surrendered if any worker decides to claim only an average 'wage', but that has to be a voluntary choice.

Our priority will be to end this inequality of skills in the shortest time set against the available resources. We are for an end to the separation of production and education and we are for free life-long learning. We seek to raise hospital porters to the level of consultants with the new found wealth a socialist society will produce.

Receiving in contribution to production is not affected by sex, race and age, therefore ending lower pay for women and the young.

Of course it goes without saying that every worker, despite their differing skill, will benefit from the expropriation of their ruling class. Workers produce far more unpaid labour than they do paid labour. The bottom 80% of society earns less than 40% of national income while the top 10% earns over 50% (adjusted for tax dodging) or to put it another way, for every Pound a capitalist earns, workers who represent the 80% earn only two pennies.

- d. Falling prices. An objective pricing mechanism replaces the profit motive. For the first time in history prices can be directly tied to actual costs of production – weighted average labour times. As workers become more productive they produce things in less time. Each product costs less labour time and so its price falls.

Under capitalism reduced labour times boost profits meaning it is the capitalists who benefit from the increased productivity of their workers. Under socialism and the abolition of profits, it is workers who benefit directly through reduced prices. If productivity rises 4% resulting in prices falling 4% then the same 'wage' buys 4% more products.

Falling prices unites society. Every worker benefits equally from rising productivity and efficiency. There is a strict correspondence between effort and reward. Exactly what was missing in the USSR! No matter how efficiently workers worked, it had no effect on prices and so in the end the workers pretended to work and the Stalinists pretended to pay them.

In addition an objective pricing system allows a socialist society to accurately allocate the labour time of society replacing the chaotic profit system where investment sloshes

around the economy alternating between conserving labour time and wasting it. Similarly in the USSR the use of fictitious prices destroyed any culture of efficiency rendering the plan obsolete and squandering any surpluses.

- e. Consumer led planning. In the USSR planning was carried out by the bureaucracy. Here, the CPU (communist party) decided what would be produced and in what quantities. Workers were rendered passive. In a socialist society it is the worker as consumer who decides what is to be produced and it is the planners who are passive.

Workers will present their consumer choices to the planners in proportion to their income. In turn the planners will aggregate these billions of choices. These choices make up the plan. In turn the plan structures industry so as to satisfy these choices. The planners' role is thus a technical one designed to execute the plan as efficiently as physically possible. We inherited substantial means to accomplish the plan under socialism. Capitalism provides us with the internet, super computers, algorithms and (non-obtrusive) data mining to mention but a few.

Consumer choice is absolute. No one can interfere with these choices even if they are stupid. If every worker wants a car, then all that can be done is for scientists to design cars that minimise the economic or geographic impact. In return for this absolute consumer right, and corresponding to it, each worker gives up the right to dispose of her or his labour as an individual choice. Everyone has to work in accordance with the plan otherwise that plan becomes unworkable.

Giving up the right to dispose of one's labour as one sees fit does not amount to exploitation or oppression merely the recognition of our collective responsibility towards each other. It does not alter the conditions at work, it does not mean a long commute, it does not mean working in unsafe environments, and it does not mean night work. Socialism is about people not profits.

But if we are going to make the global economy, resting as it does on the shoulders of billions of workers and centuries of industrial accumulation, work, we must learn to choreograph this enormous effort. We need to learn to work together. Freedom is the recognition of necessity (Marx).

- f. For an international working class revolution. Today, every smart phone, every car, every plane, every TV, every toaster, every jacket contains materials and components from every continent and multiple countries. Even one missing component, and we recall the rains in Thailand, can break the chain of production. No one country stands apart from the world economy or could survive on its own for even a year. Most multi nationals, the global corporations, only derive a minority of sales from their own country. The growth of global corporations is not something to mourn but to celebrate. Expropriating hundreds of large companies and banks in order to build a world economy is easier than the tens of thousands of smaller corporations that infested society only two generations ago.

A working class revolution will succeed as an international revolution or not at all. Capitalism bequeaths us an integrated world economy. The majority of the world's problems, in particularly global warming, can only be dealt with internationally. Finally

only an international working class revolution which ends private ownership of the planets means of production, distribution and information ends the basis of war. War is the militarisation of competition and competition can only emerge from private property where individual capitalists struggle to expand or protect their property under conditions of economic stress. Competition is elevated from the factory floor to the battle field as workers are mobilised to become soldiers fighting their brothers in a war that profits only their masters. Such a war in the age of nuclear weapons imperils all that we have worked so hard to raise ourselves from. The workers of each country must never forget that the enemy is not without, it is within, their own capitalist rulers.

Stalin's 'socialism in one country', was the antithesis of an international working class revolution. It did not allow socialism to flourish in one country. Rather it represented a non-aggression pact with the major capitalist countries which Stalin maintained by subverting revolutionary struggles around the world. Stalin was more scared of an international working class revolution which would have ended his rule in an instant, than he was of the capitalists who tolerated his rule within limits.

IN CONCLUSION.

The majority of the population of the world no longer enjoy regular meals, proper housing, heating and many have no regular or secure employment. The claims by the apologists for capitalism, that hundreds of millions have been raised out of poverty has been shown to be unfounded. The irony of course is that at the time of the collapse of the USSR and Comecon, workers did have jobs, did have food (though limited in variety) and heated homes. Conditions which countless millions in capitalist countries do not have. The difference was that the Stalinist bureaucrats, who always lusted after the security of private property, abandoned their system. The capitalists won't.

Today in most capitalist countries, fewer people are working for longer and being paid less. Many are consigned to the scrap heap. Stress and insecurity mushrooms undermining both physical and mental health. Chronic illnesses stalk the land. Longer life is celebrated for the time being, but what is conveniently ignored is the part of life which is disease free and which continues to shrink. Capitalism exists by cannibalising everything it can. Having bankrupted its workers it has gone on to bankrupt its own governments. It remains in intensive care on a drip of abnormally low interest rates tended to by a working class that has yet to make its own demands known. It offers nothing and demands everything.

It is time the international working class declared, "We have had enough, we will no longer live in this way". It is time we declared for socialism, for our liberation and for a society that restores our humanity and puts us in control of our lives. Already there is sufficient productive capacity on this planet to improve all our lives. All that is needed is to reorganise and redirect it. And to do so, the only thing standing in our way are the fifty thousand families who own this planet.

We are many they are few. What holds us back is not the mercenaries both in and out of uniform commanded by these families, but our failure to believe there is an alternative to this now primitive economic system. Ideological domination far outweighs physical intimidation. If we free our minds we free ourselves. This is the purpose of programme and theory; its aim to conquer capitalism intellectually, to demonstrate that there is an alternative to capitalism, that it is real, exciting and life renewing, and that we call it socialism. It is time we put the failure of the USSR behind us.

Brian Green December 2014.