

# **Some Forgotten Marxism**

---

**David McMullen**

# Introduction

It is truly remarkable that there are quite a few people who describe themselves as Marxist, and yet the primary political message of Marx has been buried and forgotten. This booklet will try to resurrect that message. It can be summed up quite simply in the following two points:

- *Capitalism creates the necessary conditions for a more advanced classless society where we will all jointly own the means of production and the typical individual will thrive for the first time.*
- *However, it is then up to us to take advantage of this opportunity and make it happen by transforming ourselves and society.*

In other words, history is providing us with a chance to make something of ourselves but we have to rise to the occasion.

So, how does capitalism create the conditions? Basically, it drags us out of economic and social backwardness, and changes us from peasants into proletarians. By doing this, it removes the only insurmountable barrier to a classless communist society. Such a society would be based on mutual regard and enable the full development of the individual. In the past such a society was just a pipe dream. Now it becomes something made possible by historically created conditions. The more that capitalism displaces the old conditions the better the basis for beginning the revolutionary transition to the new society.

As things stand, the job of capitalism is far from complete. Only around one seventh of the world's population live in countries that have undergone a full capitalist transformation. Most regions are still backward economically and socially, with a large proportion of the population still engaged in peasant agriculture or other forms of primitive small-scale individual production. Progress in these regions is the prime task of the present period. For Marx, the more capitalism the better. This will require vast levels of investment and technological innovation over the coming decades.

“[Capitalism] removes the only insurmountable barrier to a classless communist society”

So why does economic and social development, and proletarianization make such a difference?

Economic development under capitalism brings high and increasing productivity and ends the need for arduous toil. These conditions eliminate the material necessity for the profit motive and open up the prospect of people being spurred on in their efforts both by the desire to work and by mutual regard, while at the same time being happy with a shared prosperity.

Social development under capitalism sees the emergence of modernity. This eliminates or undermines much of the backward culture of

pre-capitalist conditions, with its supremacy of the elder-dominated extended family, tribe or other groups at the expense of the individual and society; and with its subordination of women, deference and servility, and acceptance of autocracy and tyranny. A classless, communist society could not possibly emerge directly from such conditions. Emerging from capitalism will be challenge enough.

Capitalism turns people from peasants into proletarians. The proletariat comprises almost everyone who relies on a wage, salary or welfare payment, and it becomes the overwhelming majority of the population. The big capitalists own the vast bulk of the means of production. This includes public infrastructure owned by them collectively through their governments. They are a tiny handful, perhaps 0.01 per cent of the population. The proletarian class has nothing to lose and everything to gain from communism, a system in which it takes collective possession of the means of production. Unlike their peasant forebears, they have the potential to grow into the role of being their own masters.

While material conditions created by capitalism make communism possible, it is then up to us proletarians to become aware of the role that history has assigned us and to take up the dual task of defeating the supporters of the old society and transforming ourselves into the new people for the new society. The period of transition to communism will be a period of revolution with many ups and downs. It will not just be a case of nationalizing the means of production and creating a new regime. Such formal changes are just a prerequisite for revolutionary transformation, and in the wrong hands can even cease to be that.

In the case of Russia, China and the rest of the “socialist camp”, the 20th century delivered a sobering and rich lesson on both material conditions and the nature of the revolution. Communists found themselves in power in backward countries scarcely ready for capitalism let alone the transition to communism. These conditions plus a limited understanding of the nature of the required transition made it easy for phonies waving the red flag to oppose it, to usurp power and make out that the rule of their “communist” party was taking society to the promised land. “Socialism” was state ownership with them in charge and this would peacefully change itself into communism in some future never-never. The reality was a society based on oppression and self-seeking which could not possibly transform itself into one based on genuine common ownership and mutual regard.

So, success of the revolution will depend on the conditions created by capitalism and the emergence of an ever-stronger mass movement committed to the tasks of the revolution and that includes dislodging phonies.

Opponents of communism claim that this will all be in vain because there is an insurmountable obstacle - you cannot effectively run an advanced economy without private property and markets. It is technically impossible. In the discussion below, the opposite is shown to be true.

Revolutionaries, and progressives generally, must do what they can to assist capitalist progress. Two areas are particularly pressing. Firstly, there is standing up to the green movement by supporting science, technology and economic growth. Secondly, there is support for the bourgeois democratic revolution and economic development in the South.

“Revolutionaries, and progressives generally, must do what they can to assist capitalist progress.”

Below, we examine all this in more detail. We will look at: (1) capitalism's historical role as a precondition for communism; (2) the lessons of the Soviet Union and its derivatives; (3) the revolutionary nature of the transition from capitalism to communism; (4) the economic impossibility argument; and (5) what we can do to assist capitalism in fulfilling its historical mission, and so make itself totally unnecessary and ripe for overthrow.

## **Capitalism the Precondition for Communism**

Capitalism is a profound break from our primitive past. Our productive powers and knowledge of the material world reach previously unimaginable heights. Old societies disintegrate. The old social classes are replaced by new ones. The change is pregnant with even more change.

### ***Freedom from Want and Toil***

The industrial revolution that began over two centuries ago is transforming the material conditions of life in ways that make capitalism obsolete. In the most developed regions of the world it is providing something approaching a modest level of material abundance and removing much of the necessary toil from work. These conditions make it possible to contemplate social ownership where the motivation is no longer profit, or some reward derived from it, but rather mutual regard and the satisfaction obtained from labor.

At the moment, the rich countries are home to only 15-20 percent of the world's population. However, the middle-income countries such as China, India, Mexico, Turkey and Brazil could well achieve high levels of development over the next two or three generations, while the poorer half of the world could catch up later this century or early in the next.

With increasing productivity under capitalism, a stage is reached where an equal share of the social product ceases to be shared poverty.

Under less developed conditions, the prospect of shared hunger and distress impels those who are in a position to do so to exploit others through plunder, slavery, serfdom or the ownership of the means of production. However, as the average share begins to promise an increasing degree of prosperity, the imperative to fare better than others diminishes. A stage is reached where the level of abundance is such that the benefits of living in a classless egalitarian society considerably outweigh the benefits of being a winner in a class society.

Marx and Engels make the point in part II, section 5 of *The German Ideology*:

*"... this development of productive forces ... is an absolutely necessary practical premise, because without it privation, want is merely made general, and with want the struggle for necessities would begin again, and all the old filthy business would necessarily be restored ..."*

Under developed capitalism, mechanization and automation have done much to reduce the odious or toilsome nature of work. Pick and shovel work and carrying heavy loads are things of the past and much of the remaining menial and routine work in the manufacturing and service sectors will be automated in the next generation. The work we are left with will be primarily intellectual in nature and potentially interesting and challenging.

"With increasing productivity under capitalism, a stage is reached where an equal share of the social product ceases to be shared poverty."

Some doubt the ability of workers to keep up with the requirements of the new work. Certainly, capitalism leaves a lot of them behind and on the scrap heap. Nevertheless, the level of training is higher than ever and should increase over time. In developed countries about a quarter of young proletarians graduate from university and a similar proportion have other forms of training.

We can also expect improved ability to perform complex work in a future communist society as many of the conditions that cause stunted development are eliminated. These include lack of family support, peer pressure to underperform and an inadequate education system. Social ownership will end the isolation of education from production and other activities, so uniting learning and doing. Workers will help each other to learn. We will also benefit from an increasing understanding of human development and what causes learning difficulties. And over the longer term we can expect to see artificial improvements through mind-enhancing drugs, genetic engineering (induced evolution) and brain link-ups to computers.

## *The Capitalist Social Revolution*

The dominance of capitalist market relations brings a social as well as an industrial revolution. The outcome is frightful in many ways but vastly better than what it replaces. In particular, the revolution casts off many ancient shackles and replaces them with weaker capitalist ones.

Proletarians are employees not slaves or serfs. As wage workers they only have a contractual arrangement for part of the day with their capitalist master and are free to move from one job to another. Their boss, unlike the peasants' lord, is probably not the local political chief or magistrate.

Their position in the labor market also frees them from subordination to the extended family, tribe or local community. It provides economic independence and the opportunity to physically escape from these sources of oppression and conservatism.

The new market-based class relations also raise women from their age-old subordinate position. The nuclear family replaces the extended family as the economic unit so that women only have to deal with their freely chosen husband and not his relatives. Then comes the independence of employment for a wage. The changing conditions plus struggles by women lead to the removal of legal discrimination, new divorce laws and various forms of government child support. Even the nuclear family becomes optional. These changes cut away much, although not all, of the basis of women's oppression and create the conditions where men and women can begin to understand their differences and similarities, and better meet their mutual needs.

The emergence of capitalism has been accompanied by the bourgeois democratic revolution that brings equality before the law, freedom of speech and assembly, due process and constitutional rule. People now expect these political conditions and feel aggrieved by their absence. They could not imagine being ruled by the bejewelled thugs of earlier times. This provides space for the proletariat to organize itself and for a revolutionary movement to emerge and develop. Although, when the capitalists feel sufficiently threatened, they dispense with these arrangements. This may involve goons and death squads, a state of emergency, a military coup or the coming to power of a fascist tyrant. However, such drastic measures cannot permanently put the genie back in the bottle and they are bound to provoke resistance.

Overcoming both submissive and oppressive behavior will be at the core of the struggle for communism. Individuals will require the boldness to stand up to people who act in a harmful manner either to them or to others, while expecting other people to submit to you is completely at odds with a culture of mutual regard. Overcoming the submissive and

oppressive forms of behavior found under capitalism will prove difficult enough. Having to at the same time overcome their far more extreme pre-capitalist forms would be unimaginably difficult.

The constant flux experienced under capitalism is also important for communism. Pre-capitalist societies are static. The way of life in your old age is the same as that in your youth. In keeping with this there are set and unchanging ways of thinking and general acceptance of how things are. Under capitalism there is constant change and increasing uncertainty in the conditions of life and the prevailing ways of thinking. It then becomes possible for people to look at where they are and where they are going. This is expressed well in The Communist Manifesto as follows:

*All fixed, fast-frozen relationships, with their train of venerable ideas and opinions, are swept away, all new-formed ones become obsolete before they can ossify. All that is solid melts into air, all that is holy is profaned, and men at last are forced to face with sober senses the real conditions of their lives and their relations with their fellow men.*

“[Workers’] position in the labor market also frees them from subordination to the extended family, tribe or local community. It provides economic independence and the opportunity to physically escape from these sources of oppression and conservatism.”

## ***The Proletariat a Growing Class***

In the advanced capitalist countries, the capitalist class (a.k.a. the bourgeoisie) owns most of the means of production, and almost everyone else is a proletarian who either lives off a wage or salary, or becomes a pauper dependent on government welfare handouts. The process is far less complete in the rest of the world and there are even large regions where peasants and small-scale producers still make up a large proportion of the population.

The bourgeoisie is quite small and smaller than it used to be as a result of the ownership concentration that has accompanied the development of modern industry. The big shots are frequently referred to as the 1 percent. However, the figure is more like 0.01 per cent. That is 100 in every million which would seem to be the right order of magnitude. The total figure if we include everyone who could live a luxury lifestyle simply on the earnings of their financial assets would still be well under 0.1 per cent. There is of course also the stratum of highly paid and loyal hirelings. If we include them the total figure may stretch to around 1 per cent. From the proletariat's point of view the smaller their combined numbers the better.

There is still a petty bourgeoisie, and it makes up 10 per cent of the workforce at most. It includes small employers, farmers who own and operate their own land, and shopkeepers. Generally, their incomes and habits do not set them apart from the proletariat, and they are usually quite happy for their offspring to take up paid employment.

It is common for apologists of the present system to deny the existence of classes. Capitalists can go bankrupt and become proletarians, and children can be disinherited. Likewise, proletarians can rise to the rank of capitalist. Since the end of feudalism, there are no longer legally recognized classes that you are born into and to which different laws and privileges apply. However, pointing to a certain mobility between classes confirms rather than refutes their existence.

We are also reminded that many workers hold various income earning assets including stocks. However, this is generally savings out of wages for retirement. It is simply foregoing present for future consumption. Other retirement schemes with no pretense of owning anything would be better for wage earners.

Some confine the proletariat simply to workers directly employed by capitalists. They exclude government employees such as fire fighters, nurses, teachers and clerical workers. Some restrict the class even further by excluding retail and other service workers who do not produce physical stuff. All that needs to be said here is that the social and economic position of all workers is the same. They all contribute directly or indirectly to the profits of the capitalists and are dispossessed of the means of production.

There are a significant number of people who are described as self-employed or contractors and therefore not wage or salary earners. In most cases this is a difference in form rather than substance where they have one "client" who is effectively their employer. Besides, many in this category move regularly between employment and "self-employment". The people involved are reliant on their labor power for their livelihood rather than living off income from wealth. Their economic and social position is no different from that of an obvious proletarian.

A section of the proletariat that one must reluctantly acknowledge is the so-called lumpen proletariat. This is a criminal and often brutal element that capitalism creates, and that would side with reaction in return for payment. Their reliance to some degree on welfare and occasional

"In the advanced capitalist countries, the capitalist class (a.k.a. the bourgeoisie) owns most of the means of production, and almost everyone else is a proletarian who either lives off a wage or salary, or becomes a pauper dependent on government welfare handouts."



employment makes them part of the proletariat. Unfortunately, their number is not insignificant.

The bourgeoisie encourages many proletarians to think of themselves as "middle class" with a stake in the system and in this they have had some success. By the mid-20th century, the typical proletarian in the developed countries had experienced considerable improvements in their material circumstances both in terms of income and working conditions. They achieved a level of comfort previously reserved for professionals and highly skilled workers.

At the same time, there has been an increase in the relative importance of professional and skilled jobs because of the requirements of large-scale modern industry and a population that can now afford the services of dentists, auto-mechanics, electricians and plumbers. This has allowed the more capable and motivated members of the proletariat to set their sights on "getting ahead" under the present system.

So, the very preconditions for communism created by capitalism, at the same time, take some of the sting out of living under the present system. Capitalism has delivered the demands of the old militancy. This could change dramatically when a serious economic depression strikes. However, ultimately there needs to be a new militancy that is unsatisfied even with the best that capitalism can deliver. Proletarians have to realize that they have nothing to lose and everything to gain from taking collective possession of the means of production.

## ***Absence of these Conditions in the "Communist Countries"***

The need for capitalism to prepare the ground is starkly displayed in the experience of revolutions during the 20th century. The prevailing view is that it shows that communism has failed. It is true that there was a failure. However, it was not of communism, but rather of an attempt to sustain a path towards it when its preconditions were absent. Russia in 1917 and virtually all the "communist" regimes established mid-century were essentially backward pre-capitalist societies. Most people were peasants rather than proletarians, and they were more interested in land for the tiller than social ownership. There was little modern industry and thinking was more medieval than modern. They had not passed through the capitalist stage, which is necessary for a successful communist revolution. As the experience of other backward countries shows, even getting capitalism off the ground under these circumstances is hard enough, let alone a society that aims to supersede it.

This peculiar state of affairs arose because the bourgeoisie was too weak, cowardly or treacherous to carry out its own tasks. Instead, in the first half of the 20th century, communists found themselves at the head

of both anti-feudal modernist revolutions and patriotic resistance to fascist aggression and occupation.

After World War II, the Bolshevik regime in the Soviet Union was joined by a host of other countries in what became 'the socialist camp'. It included China, Vietnam and Yugoslavia where their own revolutionary forces had taken power, and eastern and central Europe and northern Korea where regimes were established by virtue of Soviet military occupation in the aftermath of the defeat of Germany and Japan. So, by historical accident communists found themselves burdened with the task of raising their societies out of social and economic backwardness. They had to perform the work of capitalism. They had to create an industrial base and a trained workforce virtually from scratch. The "failure of communism" was a consequence of the tardiness, one might even say the failure, of capitalism.

Under these conditions the move in a communist direction could only be quite limited and eventually proved unsustainable. They took important preliminary steps but did not achieve the real substance. Industry was placed under state ownership which meant that capitalist industry was expropriated and the new accumulation of private wealth thwarted. At the same time there was a degree of economic security for workers. The system was described as socialism, the first stage on the road to communism. However, the weakness of the proletariat placed severe limits on what could be achieved. With a couple of exceptions in central Europe, it only began to become a significant section of society with the industrialization that followed the revolution. Proletarians were former peasants engaged mainly in the low paid toil that you would expect at this stage of development. They were simply not ready to be a ruling class. There was not the basis for a society based on mutual regard. Enthusiasm and unprompted initiative were limited in these harsh conditions and so there was a heavy reliance on material incentives and top down command with all kinds of perverse results. The freedom and democracy required for the full development of the proletariat was not possible given the intensity of external and internal opposition and the weakness of the revolutionary forces.

"They had not passed through the capitalist stage, which is necessary for a successful communist revolution."

Because most work was arduous and repetitive manual labor, and the education level and background of the typical worker left them ill-equipped for involvement in the mental aspects of production, there was a minority who did the thinking and deciding. These were the managers, engineers and officials - generally referred to as cadres. Members of this elite had a vested interest in entrenching their privileged position

and were unlikely to encourage an invasion of their domain as workers became more skilled and educated, and industry more mechanized, nor to willingly start to take upon themselves a share of the more routine forms of labor.

Once career, income and position are the primary impulse, economic results take a second place to empire building, undermining rivals, promoting loyal followers, scamming the system and concealing one's poor performance from superiors. The opportunity for workers to resist these developments was limited by the lack of freedom and the culture of subordination which drains away confidence and the courage to act. This culture can be very strong even in the absence of political tyranny as we can see in any "liberal" capitalist society. At the same time, one can imagine that, under these conditions, rank and file workers with special abilities or talents would tend to be more interested in escaping the workers' lot by becoming one of the privileged rather than in struggling against it.

Mao Zedong, the head of the Chinese Communist Party until his death in 1976, referred to this process, once fully entrenched and endorsed at the top, as capitalist restoration and those encouraging it as revisionists and capitalist roaders. The Chinese Cultural Revolution that he led in the late 1960s was an attempt to beat back this trend. However, that revolution was undermined and defeated, and the capitalist roaders were able to seize supreme power in China after his death.

The Soviet Union and similar regimes in Eastern Europe ended up as a distinctive type of dead-end, economically, politically and socially, and their demise in 1989-90 is one of the celebrated advances of the late 20th century. At the same time, by discarding much of the empty and dysfunctional formal shell of socialism and operating more like normal capitalist economies, both China and Vietnam have managed to achieve considerable economic development in recent decades. Cuba is now beginning to take this route. The monstrosity in North Korea survives through mass terror and the support of the Chinese. All these regimes are an affront to freedom and democracy, and will share the same fate as those in other countries where the capitalist "Communist Parties" have already been overthrown.

Notwithstanding this grim picture, there were still some significant achievements. In a large part of the world, landlords and feudal relations were swept from the countryside. Industrialization was raised from a very low base and generally outperformed the backward countries in the capitalist camp. Most importantly, after a crash industrialization in the 1930s, the Soviet Union was able to defeat the fascist Axis powers through the largest military mobilization in human history. This is something for which the world should be eternally grateful.

Frederick Engels, Marx's closest colleague, anticipated the dilemma of the sort faced by 20th century communists. In a letter to a fellow revolutionary in 1853 he wrote:

*I have a feeling that one fine day, thanks to the helplessness and spinelessness of all the others, our party will find itself forced into power, whereupon it will have to enact things that are not immediately in our own, but rather in the general, revolutionary and specifically petty-bourgeois interest; in which event, spurred on by the proletarian populus and bound by our own published statements and plans — more or less wrongly interpreted and more or less impulsively pushed through in the midst of party strife — we shall find ourselves compelled to make communist experiments and leaps which no-one knows better than ourselves to be untimely. One then proceeds to lose one's head — only physique parlant I hope — , a reaction sets in and, until such time as the world is capable of passing historical judgment of this kind of thing, one will be regarded, not only as a brute beast, which wouldn't matter a rap, but, also as bête, and that's far worse. I don't very well see how it could happen otherwise. In a backward country such as Germany which possesses an advanced party and which, together with an advanced country such as France, becomes involved in an advanced revolution, at the first serious conflict, and as soon as there is real danger, the turn of the advanced party will inevitably come, and this in any case will be before its normal time. However, none of this matters a rap; the main thing is that, should this happen, our party's rehabilitation in history will already have been substantiated in advance in its literature.*

“... after a crash industrialization in the 1930s, the Soviet Union was able to defeat the fascist Axis powers through the largest military mobilization in human history. This is something for which the world should be eternally grateful.”

## Transforming Ourselves and Society

At the moment there is no support for proletarian revolution. We don't even have a small core of people thinking or talking intelligently about the idea.

The good news is that once people in North America and Europe fancy a bit of revolution they will face far more favorable conditions than those encountered in Russia, China and elsewhere that we have just discussed.

Revolutionary stirrings will result from some kind of tectonic jolt to the existing arrangements. Economic depression and war are the prime examples. Rulers can no longer rule in the old way and everything seems out of joint. How things pan out will depend a lot on the strengths

and weaknesses of the revolutionary forces that eventually emerge. They will have to overcome a range of follies in a timely fashion and grasp the true nature of the conditions they face and what has to be done. Discrediting incorrigible nuts will be part of the process.

It is hard to imagine a revolution without some violence. There is a certain section of the bourgeoisie that is actually quite criminal and is accustomed to hiring killers. There will also be a section of the population who view the objectives of the revolution to be so evil that it must be resisted at all costs. This suggests a minimum unavoidable baseline of counter-revolutionary violence - think death squads. Then there is the more official violence. This can start with police thuggery, move on to emergency powers and graduate to fascism. How we overcome all this counter-revolutionary resistance is a vexed question.

Dispossessing the capitalists will be one of the first tasks of a revolutionary government. This will ensure they cannot access funds in order to organize resistance. This could be done quite quickly while ensuring the least amount of economic dislocation. You cannot afford to have problems with food and power supply, for example. The government could perhaps take over ownership of their stocks and debentures, and business would continue as usual. Most management personnel would be kept in place subject to various rewards and sanctions. This can be aptly called state capitalism.

Of course, business cannot continue as usual for any length of time. The revolutionary masses would be itching to change things and those entrenched in the existing arrangements would be engaging in all kinds of mischief

However, in the case of genuinely entrepreneurial capitalists, it will be necessary to try to keep them on board for an extended period. They have a lot in their head about the technology and how things operate organizationally.

Then there are small businesses. Many of these will need to be kept for some time and there are people to avoid alienating. Those that only exist because of limited employment prospects will part the scene as these improve. Businesses that are just labor services will generally find the shift to the socially owned sector easier. Remaining small businesses will cease once they can no longer compete or the operator retires.

On day one of the revolution there will be many problems. A large number of people will be hostile, neutral or lukewarm in their support. New revolutionary governments will be far less experienced than their opponents, and will face many difficulties getting into power and holding onto it. The old servants of capitalism who cannot be dispensed with overnight will be in a position to sabotage output and efforts to change

things. Defeat could result from revolutionaries making mistakes or the counter-revolution recovering from temporary disarray.

The period of transition will be a protracted affair. As Marx said in *Critique of the Gotha Program* (1875):

*"Between capitalist and communist society there lies the period of the revolutionary transformation of the one into the other."*

This is a period of class struggle prone to capitalist restoration. The initial threat from the old bourgeoisie is followed by a threat from a new bourgeoisie emerging among high officials who wave the red flag in order to oppose it. Social ownership is far more than formal de jure state ownership plus a government made up of people who claim to be communists. By social ownership we mean joint or co-ownership. If ownership relations oppress us, we are not co-owners.

In *The German Ideology* (1845), Marx got to the crux of the matter:

*"...private property can be abolished only on condition of an all-round development of individuals, because the existing character of intercourse and productive forces is an all-round one, and only individuals that are developing in an all-round fashion can appropriate them, i.e. can turn them into free manifestations of their lives."*

We have been talking about the individual thriving in his or her role as worker. The morality of mutual regard is the key to this, and to thriving in life generally. It is best understood as enlightened self-interest where everyone does the right thing by others knowing that a large and increasing section of society is doing the same. It will be what is honorable. We will all share in the 'pool' of greater prosperity and goodwill that results.

"The initial threat from the old bourgeoisie is followed by a threat from a new bourgeoisie emerging among high officials who wave the red flag in order to oppose it."

So, in order to finally bury capitalism, there has to be a fundamental change in human behavior and the way society operates. The bourgeoisie, and the habits and ways of thinking of its society will prove tenacious, and the proletariat will have to transform itself in the struggle against them. Critical for success of the process is the emergence of a large and increasing number of people who see the revolutionary transformation of the conditions around them as a prime mission in life.

Mutual regard will not just be a case of caring more. It will have to also mean being willing and able to confront bad behavior directed against ourselves or others. This will require us to cast off passive, submissive and weak-spirited habits engendered by our subordination under capitalism, and acquire a strength of character that gives us the confidence and moral courage to deal with bullies, schemers and people

with a whole gamut of behavioral issues. We will not let the worst people set the tone. Top of the list are those who want to lord it over us and become a new ruling class.

With mutual regard, we will transform the nature of work so that the new potential for work to be an end in itself and something done for its own sake becomes a reality. We will do what we can to make the work of others productive and rewarding. This includes not standing idly by while particular individuals make other people's working life a misery or sabotage our joint efforts.

"[Mutual regard] is best understood as enlightened self-interest where everyone does the right thing by others knowing that a large and increasing section of society is doing the same."

We will have to combat a lot of bad behavior in ourselves and others that is directed at misusing social production for personal gain instead of our mutual benefit. This will take diverse forms and will include: having one's judgments or decisions skewed because one has a lot personally invested in a particular project or technology; resisting the introduction of a new technology or product mix that does not match one's present skill set; misappropriating resources for one's own material benefit, through either direct personal use or illicit sale; and engaging in careerist behavior such as undermining others, making yourself indispensable, taking credit and deflecting blame, and using recruitment and promotion to create a system of patronage.

Mutual regard will also require us to go out of our way on occasions. This would include extra time or effort at critical moments at work. We may, for example, be tired or missing out on a planned gathering with friends and family. The reward is the successful completion of an important task.

In *Critique of the Gotha Program* (1875), Marx famously described what it means to arrive at a communist society:

*"In a higher phase of communist society, after the enslaving subordination of the individual to the division of labor, and therewith also the antithesis between mental and physical labor, has vanished; after labor has become not only a means of life but life's prime want; after the productive forces have also increased with the all-around development of the individual, and all the springs of co-operative wealth flow more abundantly – only then can the narrow horizon of bourgeois right [pay by performance] be crossed in its entirety and society inscribe on its banners: From each according to his ability, to each according to his needs!"*

# They Say the Economy Wouldn't Work

A favorite argument against social ownership is that the economy would be a mess. You cannot run a complex economy without private property and markets. It is like trying to walk without legs. However, the opposite is true. Social ownership would mean a more efficient and dynamic economy that would overcome the economic limitations of capitalism.

Exhibit A in the case against social ownership is the Soviet Union and its derived regimes. Their "plans" were chronically incoherent with recurrent shortages and surpluses. They turned out shoddy products, discouraged innovation and responded poorly to consumer demand. The underlying problem has already been discussed above. The revolution did not get very far down the communist road before being hijacked by reactionaries. It all congealed into a regime of self-serving careerists ruling over a demoralized and downtrodden mass. Such awfulness was bound to generate poor information and motivation. It could not possibly be described as joint ownership by the proletariat.

Then we have economists telling us that an economy based on social ownership has an inherent economic calculation problem: in the absence of market transactions between enterprises it could not have a properly functioning price system.

While we do not know how economic decisions will be made in the future under communism, we can say that there is nothing about the non-market transfers of custody between economic units that would prevent decentralized decision-making based on prices.

There is also the claim that any price system under social ownership would be inferior to a market based one because it would not reflect the discovery process that emerges from competition between market participants. It is true that in the presence of uncertainty, there needs to be multiple participants trying out their own approaches to problems on the basis of their own opinions, guesses and hunches. Those that come up with the best and most highly valued products using the cheapest methods win out in this competitive contest. However, social ownership does not throw up any inherent obstacles to a diversity of approaches.

It would still be very common for an individual enterprise or facility to be just one of many producing the same good or close substitutes and each of them could be free to try out different production methods and product designs. Some will be new entrants who are either existing enterprises moving into a new area with synergies or starts ups established by enthusiasts with ideas the incumbents are not open to or capable of developing. This diversity could be greatly assisted by having a number of independent agencies ('banks') disbursing funds in any given industry on the basis of their own assessment of what are good investments.



At the same time, it is possible to imagine enterprises being free to choose their suppliers on the basis of cost and quality and having to out-bid other users of a resource or intermediate good. Indeed, diversity could be planned if there is not enough of it emerging of its own accord.

Economists have also spilt much ink on the impossibility of effective central economic planning. However, these now seem out of date. Quantities for highly disaggregated product codes can be fed into an input-output table in real time with modern computer networks, and numbers crunched using modern computers and appropriate algorithms.

Collective ownership could do a great job of producing what people want. This is despite the widely held view that it would require some central body to arbitrarily decide on final output. Individuals could receive vouchers that they could spend on what they choose, with prices responding to changes in supply and demand. Consumer surveys could play a role. There could be democratic decisions on what collective goods to produce and the rate of investment, and these could be funded through taxation - income, poll or indirect. And there would be nothing to stop the use of interest rates to guide investment decisions.

“While we do not know how economic decisions will be made in the future under communism, we can say that there is nothing about the non-market transfers of custody between economic units that would prevent decentralized decision-making based on prices.”

Labor power could still be a cost to enterprises even when workers are no longer paid for their work, and they receive a payment quite independently of what they do. The would make a payment to the treasury that could be thought of as a shadow price or a wage that is taxed at 100 percent.

Not only will an economy based on social ownership work well. It will do a better job than capitalism. Capitalism may be streets ahead of stagnant pre-capitalist societies, however, the gap between what is possible and what capitalism delivers is wide and getting wider. It is an increasing fetter on the economy's productive forces that social ownership can remove.

Economic slumps are one cause of the gap. They lead to massive production losses and human misery. In the 19th century there used to be very regular 10-year short sharp cycles of boom and bust. These are now much more drawn out. The last global cataclysmic crash occurred more than 80 years ago and is outside of living memory. So, the one that is presently looming will come as a big shock.

As well as the mass unemployment of depressions there is also the not inconsiderable permanently unemployed. This mainly comprises

people who have been demoralized by the system and left ill-equipped to develop and upgrade their skills and abilities. They are often encouraged to rot on welfare.

The profit motive is another retardant on production rather than the spur people claim it to be. Capitalist firms apply various rewards and penalties to get their employees to do their bidding. If a job is in any way complex it becomes difficult to assess performance, and supervision cannot come close to matching what would be achieved if workers simply wanted to do the job to the best of their ability.

“Capitalism is an increasing fetter on the productive forces.”

Just as slavery required unbreakable tools and the whip, and feudalism allowed the serf a share of the product rather than simply a subsistence ration, so capitalism needs 'incentives'. But the mutual regard culture of communism will prove far superior to the profit motive for improving productivity. These relations with our fellows are what make it possible for work to become something performed for its own sake rather than simply a necessary means to an income, so adding greatly to motivation.

Social ownership will see the development of better economic decision making. There will be the better flow of information due to the removal of property barriers between enterprises and the desire to see good outcomes. We will also part company with the many economic distortions of capitalism such as under-provision due to monopoly pricing, the exclusion of what are presently external costs and benefits, the government favoring certain vested interests, and interest and exchange rates that make no economic sense.

Human material progress depends more than anything on scientific research and breakthrough innovations. As a result, a society taking the communist path would devote a very high proportion of investment to these areas. Under capitalism they are grossly underfunded and their application impeded. Major breakthroughs are far too infrequent. All the fields of engineering - nuclear, chemical, mechanical, aerospace, electrical - have seen little change in recent decades. Cheaper energy alternatives to fossil fuel are still not in view. There are several reasons for capitalism's poor performance, and they are listed here in turn.

Industry incumbents often spend heavily on long lived investments and have little desire to devote resources to breakthroughs that would devalue these. Rather, they concentrate their research and development on efforts to increase or preserve their value. Incremental improvements in computers and electronics are the prime example. Indeed, in current parlance "new technology" is synonymous with developments in these areas.

The market for science and innovation is limited by the public good 'free rider' problem. This is most extreme in the case of pure research but also applies in a lot of applied research. It is difficult to make money from many forms of knowledge and where you can it is because you have been able to exclude others, or restrict access to only those with deep pockets or the most pressing need for it. Science also ought to be undertaken globally and not for national "competitiveness".

Firms and nations try to keep knowledge secret for their own use. Firms often receive patent or copyright protection from government which turns their knowledge into intellectual property for a given period. The most egregious effect of these property rights is to restrict access to, or increase the cost of, new technologies and knowledge that are needed for further research and innovation. Seed patents impeding the development of genetic engineering is a prime example. The most technically advanced workers are so aware that computer software is held back by copyright that they have developed elements of the communist mode of production with "free and open source", regardless of their political views. This outlook has also spread into 'open culture' more generally. Wikipedia and MOOCs highlight the future mode of production still fettered by old social relations, starting to break through and already proving its superiority despite seriously restricted resources.

Even being able to capture the benefits will not be enough to induce capitalists to spend on research and development if they consider them too uncertain or too far in the future.

Philanthropy can play a useful role. The Bill and Melinda Gates Foundation is a prominent example. However, this in itself is far from adequate. We have had to rely heavily on government to fund much of the research and development that has occurred. Indeed, some of the most important innovations of the present era are the result of this. Examples are computers, the Internet, jet engines, satellite communications, fracking technology, nuclear power and gas turbines. Also, all the important features of the Apple iPhone were the result of U.S. Department of Defense funded research. However, government spending often has to be prompted by some major emergency like hot and cold wars. Otherwise, there is not much of a constituency under normal times and it is inclined to be the first thing to be cut when governments endeavor to rein in the budget.

The nature of work under capitalism places another constraint on science and technology. There is gaming among researchers as they scramble to get their slice of the funding cake, and personal prestige and career can take precedence over outcomes.

The need for advances in science and technology are all too plain to see. We need cures for illnesses such as cancer, Alzheimer's disease and

malaria. We need better farm plants and animals. We need harder, stronger and lighter materials. We need to develop energy options cheaper than fossil fuels so they can be widely adopted in poor countries. Renewable energy will cost far too much until the cost of energy storage can be brought down drastically. Presently planned improvements in nuclear fission technology will narrow but not close the cost gap with coal or gas. Carbon capture and storage will be important for the longer term, but is only in its infancy. Nuclear fusion research is progressing but is still at the stage of solving basic problems.

## **Giving Capitalism a Nudge**

Given that communism still needs a lot more capitalism, Marxists have to ask themselves what they can do to give it a helping hand. There are two things that stand out. One is doing battle with the green movement because of its opposition to material progress. That is the essence of its "anti-capitalism". The other is supporting progress in the Global South, particularly the fight for democracy. These are discussed in turn.

### ***Support Science and Oppose the Green Movement***

While greens have better instincts than many on a range of social issues such as inequality and racism, and they are hardly likely to rally behind counter-revolutionary tyrants, their opposition to material progress is a major problem. They believe that the global abundance required to lay the basis for communism is unachievable because of "limits to growth" or "planetary carrying capacity". However, prosperity for all is not difficult to imagine with scientific and technological advances. Where land is a constraint, we can build higher into the sky and tunnel deeper into the ground. Precision farming, biotechnology and other innovations will provide far more food while using less land and water, an already established trend that is gathering pace in spite of opposition from greens. There will be limitless supplies of clean energy from a range of resources. We can already be sure that future generations of nuclear power technology would be able to rely on virtually inexhaustible fuel resources. Then there are future technologies we can presently only guess at. For example, biotechnology may open up new ways of harnessing the sun. The mineral resources we rely on are more than sufficient, even without considering future access to extra-terrestrial resources and our ability to devise ways to substitute one resource for another. We will protect the biosphere with more advanced and better funded waste and conservation management. Indeed, in many respects we have seen capitalist countries get cleaner as they get richer.

Just as we can thrive with possibly 11 billion people in 2100, we can thrive if there is a lot more in 2200. A mix of currently conceivable and not yet conceivable advances in science will make this manageable. At some stage we can expect our descendants to transform themselves into a post-human species with totally new needs, and new abilities to harness nature to meet them. And as they head off into the rest of the solar system and beyond, they will no longer be held back by any earthly constraints.

Greens are not content to declare the impossibility of economic growth. They do whatever they can to oppose it and tell us that we do not need it.

They constantly make false claims about the environmental or health impact of a product or production process. This is often assisted by junk science produced by greens working in university science departments.

Perversely, they undermine efforts to limit greenhouse gas emissions. We need a massive growth in output to meet the needs of 9-10 billion people, including the 4 billion or so in Sub-Saharan Africa by the end of the century. This requires the retention and expansion of nuclear power and extensive research into new emission free technology in energy, agriculture and industry.

“Perversely, they undermine efforts to limit greenhouse gas emissions.”

However, according to the greens, emission reductions should be achieved through renewable energy and lower consumption of energy and everything else. In tune with certain commercial interests, they falsely claim that renewable energy is not much dearer than fossil fuel-based energy and is all we need.

Billions of dollars have been wasted on subsidizing the deployment of wind and solar power instead of being spent on seeking out real solutions. Nuclear power is in the doldrums whereas it should be thriving. Meanwhile, renewable energy has scarcely made a dent on fossil fuel consumption.

Next on the list of green misdeeds is their opposition to modern agriculture. Greens in league with the “organic” food industry want us to reduce effective crop yields by relying on legume rotation for fertilizer and foregoing pesticide and modern biotechnology. At the same time, they want us to rely more on manual labor rather than energy consuming machinery.

Certainly, synthetic fertilizer and pesticide needs to be used more judiciously in some regions. Also, you would not rush into capital intensive agriculture where it just leads to a labor surplus. However, reducing our use (and abuse) of land and water while increasing food

production requires being as “unnatural” as possible. It needs lots of energy, water treatment, and new technology such as precision farming and biotechnology.

As well as opposing economic growth, many greens relish the idea of going back to a more primitive economy. They seek a steady state economy based on small scale local production. They have the delusional idea that such a mode of production would provide more rewarding and less alienating work than under the present system. This is based on a romanticized picture of pre-industrial society full of happy artisans and self-sufficient peasants, and silly chatter about how people in poor countries are happier than people in rich ones.

They claim that for production to be sustainable it should be kept to what is possible on the basis of renewable and reusable resources and we should forego large-scale use of depletable metals and other minerals. They claim such an economy would deliver wholesome “sufficiency”. In fact, it would deliver abject poverty just as it did in the past.

Those greens who are the most ‘radical’ and anti-capitalist and therefore the most ‘left’ are in fact the most reactionary. If what they advocate were taken seriously it would mean making industry small-scale and local. This would rule out many technologies and products. Virtually the only source of energy would be firewood as solar panels and wind turbines would be impossible or too expensive to produce. An electric light bulb would have the same problem. Computers, telecommunications and anything electronic would be out of the question. The primary source of locomotion would be draft animals and their numbers would be limited by the fact that their calorie consumption per head is many times that of a human. Productivity would plummet with the reversion to more labor-intensive technologies with most time devoted to producing food, clothing and other basics. There would be no ability to deal with natural disasters, including those resulting from climate change, nor to move large quantities of grain in the case of a local crop failure.

Of course, such a society, at least in the more developed regions would be able to cannibalize from the old society for a while. The housing stock and sewerage system will take a generation to badly deteriorate. There will be plenty of scrap metal. However, the uses that could be made of this would be limited by the simple technology available. For example, a bicycle, assuming it could still be produced, would be very expensive. And this assumes that this stock of leftovers is not shared with the billions in the poorer regions. If Mad Max is anything to go by, they would be coming to “share”, whether you like it or not.

As the material conditions regressed to those before capitalism, so would the social and political, with local thugs exacting tribute and fighting each other over the spoils. From these backward economic and

political conditions, humanity would then, just as we did in the past, eventually take the painful path back to capitalism and modernity.

The natural environment would not benefit from this madness. Reverting to firewood and pre-industrial agriculture is no way to preserve the environment with our population levels. Some exponents understand this and put their hopes in a massive "die back" where the population is reduced to a mere fraction of its present level. They see people as an environmental problem, akin to pollution, rather than as the inventive motive force in history.

To ensure that we can continue down the road of economic progress while reducing our impact on the natural environment will require a lot of science and technological innovation. Marxists can make a worthy contribution by standing up to the green tide.

## ***Support the Big Catch Up***

A lot of capitalist development is still needed if we are to have a solid basis for communism. The countries that have already reached a half decent level are home to less than 20 percent of world's population. Later this century they will be more like 10 percent because all the population increase will be elsewhere, indeed mostly in the least developed regions. Another large proportion of the world's population are in so-called middle-income countries that are part of the way there to varying degrees. However, half or more live in regions that have hardly begun the capitalist phase.

In Marx's view capitalism will ultimately transform these regions. In *The Communist Manifesto* he expresses this rather colorfully:

*"The bourgeoisie, by the rapid improvement of all instruments of production, by the immensely facilitated means of communication, draws all, even the most barbarian, nations into civilisation. The cheap prices of commodities are the heavy artillery with which it batters down all Chinese walls, with which it forces the barbarians' intensely obstinate hatred of foreigners to capitulate. It compels all nations, on pain of extinction, to adopt the bourgeois mode of production; it compels them to introduce what it calls civilisation into their midst, i.e., to become bourgeois themselves. In one word, it creates a world after its own image."*

If the spread of capitalist development that we have seen in recent decades continues we will make major progress mid-century and beyond. Of course, wars, depressions and political conditions will affect the pace in unpredictable ways.

Where do Marxists come in? In the Global South, as it is now commonly called, the focus of attention for Marxists and other progressive-minded people must be the battle for democracy. Marxists have historically played an important role in this space and they call it the bourgeois

democratic revolution to distinguish it from the subsequent proletarian revolution. Happily, success in this struggle will not only lighten oppression but will also do much to remove obstacles to capitalist development. This is because autocracy and tyranny greatly facilitate a range of economically destructive behavior by government.

At the extreme end we have the tyrannical kleptocracies or vampire states. These have often thrived on foreign aid and resource rent. Funds that should have gone into infrastructure, education and health ends up instead paying for white elephants, palaces and luxury lifestyles, or being siphoned off into Swiss bank accounts. This is frequently made worse by civil wars, where competing groups fight for control of the loot. This affliction has been particularly severe in Sub-Saharan Africa.

Also, autocrats can more easily burden the economy with lots of unproductive government jobs created to buy support from a certain section of the population. Then there is the problem of trying to do business when you are at the mercy of corrupt and totally unaccountable officials.

“A lot of capitalist development is still needed if we are to have a solid basis for communism.”

In the struggle for democracy it will be important to resist the siren song of “socialism”. Under capitalism, the state is very much the vehicle for vested interests, and tends to shift resources from more productive to less productive uses.

People, organizations and governments in the developed bourgeois democracies - North America, Western Europe etc - can do a lot to help or hinder the cause of democracy and progress in the Global South.

The main problem is public opinion. There is far too little solidarity with the Global South. This is reflected in a whole range of attitudes. There is the narrow parochial view of the world exemplified by “America First”. There is a racist contempt for the people of this region. There is a belief that their cultures are an unbudgeable obstacle, and “Western civilization” cannot be transferred. We have the limits-to-growth proponents claiming that economic progress is impossible and anyway there is something charming about backwardness. In some circles there is a view that tyrannies in conflict with the US or making anti US noises have some special immunity.

So, it is necessary to fight for a competing globalist point of view that creates a new political climate. This would deliver on a number of levels.

At the individual and non-government level we could be doing more to materially and morally support those bearing the brunt of tyranny. We could also be holding “NGOs” to account for their sham aid projects. Then there is green sabotage to deal with. We need to speak truth to



power and expose their efforts at confining aid to “appropriate” technology.

An enlightened public opinion would compel the Western powers to pursue foreign policies that place greater strategic focus on political and economic progress in the Global South. This would mean less stress on other conflicting “geopolitical” concerns. There would be less reliance on unsavory “local allies” and more direct involvement. The battle against the jihadists would not neglect work on nation building and improved governance. There would be greater acceptance of the “instability” that accompanies the overthrow of tyrannies and a greater willingness to stay the course.

On the economic front, it should be harder for government backed agencies such as the World Bank and IMF to lend, or effectively give, money to kleptocrats; and for businesses to facilitate their money laundering. At the same time the richer countries must free up their trade with the South.

“An enlightened public opinion would compel the Western powers to pursue foreign policies that place greater strategic focus on political and economic progress in the Global South.”

As governments improve their spending habits there will be increasing benefit in doing more about tax havens that deprive many countries of a lot of tax revenue. This is particularly important with direct foreign investment. Foreign investors in turn will require less of a risk premium if they are dealing with more reliable governments.

## Conclusion

At present, the proletariat slumbers and a revolutionary movement does not exist even in embryo. However, as we have seen, Marxists still have things to do in the meantime. They will be loud in their support of science and innovation, and opposition to all forms of backwardness. They believe history is too slow not too fast.

They are also tasked with joining the battle to defend the Marxist worldview. Here they will first have to cross swords with the “Marxians” (or is that Martians?) who have managed in recent decades to embed themselves in academia and create considerable confusion.

Marxists see our communist future as the beginning of the real human journey. We will enter a world where we can achieve the precondition for the thriving of each - the thriving of others.

It is truly remarkable that there are quite a few people who describe themselves as Marxist, and yet the primary political message of Marx has been buried and forgotten. This booklet will try to resurrect that message. It can be summed up quite simply in the following two points:

- *By developing the productive forces, transforming most people into proletarians rather than peasants and fracturing traditional culture, capitalism creates the necessary conditions for a more advanced classless society where we will all jointly own the means of production and the typical individual will thrive for the first time.*
- *However, it is then up to us to take advantage of this opportunity and make it happen by transforming ourselves and society.*

This alerts us to the importance of capitalist development in those regions where economic and social backwardness still prevail. It also helps us understand the experience of the "communist" countries. Because of their backwardness, conditions for communism were not present and those who redefined socialism to mean state ownership with them in charge met limited resistance.

Published by  
**Simply Marxism**  
2019

Go to **[www.simplymarxism.com](http://www.simplymarxism.com)** for electronic versions of this booklet and other Marxist material.