

Lecture 27
Sociology 621
April 30, 2008

What is Socialism?

I. What Do Socialists Want?

Socialists have traditionally criticized capitalism for the ways in which it violates five central values:

1. *Equality*: Capitalism generates morally intolerable levels of inequality of material conditions of people. This is especially offensive in its impact on children, but more broadly the levels of material deprivation in a world of affluence generated by capitalism violates a wide range of principles of egalitarian justice held by socialists.

2. *Democracy*: Capitalism thwarts democracy. By placing the basic economic resources and conditions of investment in hands of private individuals, the capacity of the democratic polity to make decisions about the fate of the community is significantly undermined.

3. *Autonomy*: Capitalism robs most people of meaningful control over much of their work lives. There is a deep meaning-deficit in most people's lives because they are pawns in other people's projects. Capitalism does not merely generate inequality and poverty through exploitation, it generates alienation as well.

4. *Community*: Capitalism undermines a sense of solidarity among people. As G.A. Cohen has argued, the forms of competition and conflict built into capitalism drive economic activities primarily on the basis of two motives -- greed and fear. Instead of social interaction in economic life being normatively organized around the principle of helping others, it is organized primarily around motive of taking advantage of the weakness of others for one's own gain. This underwrites a culture of selfish individualism and atomism.

5. *Efficiency/rationality*: This may seem quite odd, but traditionally socialists have criticized capitalism because it was irrational, wasteful and ultimately inefficient. There are three traditional reasons for this and a fourth, more recent one:

(i). anarchy of production: business cycles, destruction of firms because of slumps, economic crisis.

(ii). false needs: advertising, intensified consumerist competition, built in obsolescence, artificial model changes, etc.

(iii). fettering of the forces of production = long-term falling rate of profit --> undermines capacity for innovation.

(iv). ecological unsustainability: a growth and consumerist logic of production driven by private profit → environmentally destructive

These are the values in terms of which socialists attack capitalism. "Socialism" was then posed as the way of rectifying all five of these negative features of capitalism. At least in its idealized form, socialists argued that a democratically controlled, centrally planned economy would eliminate

poverty and greatly reduce inequality, enhance the democratic capacity of the local and national state, reduce alienation by giving workers greater control within the process of production, strengthen values of community over individualistic competition, and make possible the rational and efficient development of productivity.

The historical experiments in achieving this ideal -- what used to be called “actually existing socialism” -- failed to generate these results. In certain times and places, some progress on one or another of the five values might have been made, but nowhere did sustained and durable progress occur on all five. While the precise reasons for these failures is the object of considerable debate, few people who share socialist values now believe that a centrally planned economy based on state ownership of the means of production can achieve these values even if the state itself were democratic. As a result, for many people who share the moral indictment of capitalism, the idea of socialism itself has come to be seen as a fantasy. Capitalism may generate great harms, but the best we can do is try to ameliorate its worst defects; there is no point in struggling for a radical alternative because none is feasible.

In a way it is ironic that the collapse of the Soviet Union has so profoundly undermined the very idea of socialism. One might have anticipated that the demise of the command economies in the USSR and elsewhere would have emancipated the idea of socialism from the liabilities the bureaucratic authoritarianism. After all, for decades democratic socialists in the West had been denouncing the undemocratic practices in the Soviet Union and arguing that socialism should be understood as the radical extension of democracy to the economy rather than centralized bureaucratic control of society. At long last, one might have thought, the ideal of democratic socialism, freed from the embarrassment of authoritarian statism, could gain support.

That is not what has happened. With the end of authoritarian state socialism, the very idea of socialism has lost credibility. Capitalism increasingly seems to many people on the left as the only viable possibility. For all of its deep and tragic flaws, the empirical example of the Soviet Union at least demonstrated to people that some alternative to capitalism was possible; capitalism was not the only game in town. Democratic socialists could then plausibly argue that the flaws in the command economies could be remedied with serious democratic reconstruction. Without the practical example of even a flawed, but still radical, alternative to capitalism, capitalism assumes ever more strongly the character of a “natural” system, incapable of radical transformation.

In this context, the left is in vital need of bold and creative new thinking on the question of the institutional conditions for radical egalitarian alternatives to capitalism. Whether or not in the end such alternatives are properly described as “socialism” is not really the important question; the crucial issue is forging well-grounded ideals of how the values of equality, democracy, autonomy, community and rationality can be translated into a politics of radical institutional innovation. Before looking at some new ways of thinking through these issues, it will be helpful to briefly review the conception of socialism identified with traditional Marxism.

II. The Classical Marxist Understanding of Socialism: The “Dictatorship of the Proletariat”

In classical Marxism, socialism was closely identified with an expression that is quite jarring today, “the dictatorship of the proletariat”. What does this expression really mean?

1. Meaning of term “dictatorship”

Dictatorship, in classical Marxism, is a way of identifying the *capacity to dictate interests*, which is best understood as the capacity to establish the limits within which policies and practices vary. This is not a specification of authoritarianism as a *form of regime*. This is obviously an antiquated term and, I think, should be dropped – after the experience of authoritarian regimes in the 20th century this is not a politically useful term. Still, it is important to know what it means. Just as the “capitalist state” can have a more or less democratic form of regime, so too the dictatorship of the proletariat -- a workers state -- can be more or less democratic depending upon historical circumstances.

2. Comparison to Capitalist State:

The Workers-state thesis is parallel to claim that the capitalist state is a “dictatorship of the bourgeoisie” = a state within which a capitalist class character is inscribed in the sense that the limits within which state policies and practices vary embody the interests of the capitalist class. That is, the concept refers to the fundamental power relations at the level of the society as a whole.

Capitalist state: Recall how the “dictatorship” of the bourgeoisie is established/reproduced (eg by Therborn):

- a. Certain institutional arrangements impose bourgeois-class limits on the state: dependency on profits; exclusion from accumulation; bureaucratic insulation; atomization; etc.
- b. In certain historical periods, these institutional arrangements were complemented with others: property franchises were universal in early capitalism, for example.

Proletarian state: The problem of the dictatorship of the proletariat has to be posed in a parallel manner:

What kinds of structural arrangements establish class limits on political practices with a proletarian content? How can the proletariat be constituted as a ruling class?

[Note: in this context the category “working class” is generally understood as something close to “all wage earners”: that is, it is the rule by the propertyless masses, not just by industrial manual workers.]

This question has both a *negative* and a *positive* aspect:

Negative: Elimination of private ownership of principle means of production, i.e., investment decisions are no longer controlled privately; capital is not mobile; it does not automatically respond to profit criteria, market pressures. This is equivalent breaking the power of the bourgeoisie.

Positive: Creation of institutional forms in which it is the direct producers *as a class* who control social production, establish priorities, direct investments, plan economic activity. The key here is that these institutions impose proletarian class limits on the conduct of economic and political practices.

3. Socialism & repression:

However the problem of the positive institutionalization of proletarian power is achieved, it implies *repression*, the coercive enforcement of the class interests of the working class through the legally constructed “rules of the game”. That is, some kinds of behavior which are allowed under capitalism – indeed, encouraged – may become proscribed, and must be coercively controlled.

Examples:

- a. speculation
- b. hoarding
- c. private investment beyond some specified limit

This is equivalent to the transition from feudalism to capitalism: certain rights and practices central to feudalism were prohibited once the bourgeois revolutions had been consolidated.

General characterization of these shifts:

- a. *Bourgeois revolution*: equalizes ownership rights over people and blocks erosion of that equality
- b. *Proletarian revolution*: equalizes ownership rights over alienable assets and blocks the erosion of that equality.

Each of these transformations implies changes in political forms, since each of them abolishes a set of rights which were previously “private,” exercised by individuals or groups, but not by the collectivity. This abolition implies repression, in a double sense:

- a. *Overt repression*: the actual coercive repression of the attempts at exercising the prohibited rights or of reestablishing the conditions for their exercise.
- b. *Structural repression*: creating the institutional circumstances in which it ceases to be rational for individuals to even attempt to exercise those now-lost rights, and thus coercion ceases to be necessary. It is no longer necessary to repress people actively for engaging in feudal practices in capitalism.

Socialism is characterized by both of these repressions; this is the sense in which it was seen to be a “dictatorship”.

4. Socialism & Communism:

Marxists have classically regarded socialism as the “lower stage of Communism,” as the first part of a long-term transition. The nature of this transition process is characterized in a number of ways:

- a. *The disappearances of classes*: Communism is a classless society, a society within which no relations of domination are structured around social production, no classes exist.
- b. *The withering away of the state*: if the state is understood as strictly a function of class-logics, of requirements for the repressive reproduction of class relations, than the disappearance of classes implies the withering away of the state.

This does not necessarily imply a disappearance of politics, but only of the state-form of political practices (i.e., centralized, repressive apparatuses).

c. *The disappearance of the social division of labor between mental and manual labor.* This does not imply that everyone does the same things, or even the same mix of mental and manual activities, but that no power relations are structured around the distinction between mental and manual activities.

d. *The disappearance of inequalities based on skills*, i.e., of distributions of income based on distributions of inalienable assets.

The distributional principle of Communism = “from each according to his/her ability, to each according to his/her needs.”

The distributional logic of socialism is “from each according to his/her ability; to each according to his/her work.”

This is the basic logic of Roemer's investigation of socialist exploitation (which Marx endorsed in his analysis of “bourgeois right” as part of socialism).

Question: what is the moral foundation for a communist distributive principle? Note that it is not a contribution logic of reward. The moral foundation is like that within a family (you give kids what they need, not in proportion to their contribution to the family budget) → humanity as a common family of interdependent people. Normative problem = lack of sufficient universalism in the application of such values.

5. Utopian Visions

This is a utopian vision. Good arguments can be made for why:

a. There will never be a form of advanced society within which the repressive apparatus of politics disappears entirely. A pure “administration of things rather than people” is impossible. Repression may not be organized around class imperatives, but there will be repressive needs, and thus some sort of quasi-state will always exist.

b. The division of labor between mental and manual labor will always exist in some form or another, even if attenuated, and it will always imply effective power relations: knowledge is power. Rotation of tasks, equalization of training and education, etc., can mitigate this, but not dissolve it.

c. There will always be certain intrinsic scarcities which people will desire, and their allocation can never be entirely need-based, since more people will need & desire them than can consume them. There is no reason to believe that a democratic society would not choose to have such scarce resources allocated on the basis of some sort of merit/worthiness/reward criterion among those who “need” it.

The heart of the classical Marxist argument about socialism, however, does not rest on the adequacy of the utopian vision, but on argument about socialism itself. In a sense Marxism is more about the “lower” stage than the higher stage of Communism. Communism itself is posed as a *tendency* inherent in a society within which the working class as a class is the ruling class, since workers would have a general interest in achieving such a society. The key, however, is the argument about power: *socialism is a society within which workers are in power*. That is the decisive issue; what they do with the power, what kind of society they create with what sort of developmental direction is a secondary matter, a matter for workers rather than intellectuals-in-capitalism to decide.

III. An alternative framing of socialism: taking the ‘social’ in socialism seriously

1. Three kinds of power

- Economic power: power based on the control of material resources.
- State power: power based on the control of rule making and rule enforcing over territory.
- Social power: power based on capacity to mobilize voluntary cooperation and collective action.

2. Three Economic Structures: Capitalism, Statism and Socialism

- Capitalism: an economic structure within which the means of production are privately owned and thus the allocation and use of resources for different purposes is accomplished through the exercise of economic power. Investments and the control of production are the result of the exercise of economic power by owners of capital.
- Statism: an economic structure within which the means of production are owned by the state and thus the allocation and use of resources for different purposes is accomplished through the exercise of state power. State officials control the investment process and production through some sort of state-administrative mechanism.
- Socialism: an economic structure within which the means of production are “socially owned” and thus the allocation and use of resources for different social purposes is accomplished through the exercise of what can be termed “social power.” Social power is power rooted in the capacity to mobilize people for cooperative, associational action in civil society. In socialism the control over investment and production is organized through diverse mechanisms of social empowerment.

3. The idea of *HYBRIDS*:

All real economic systems are complex combinations of capitalism, statism, and socialism. We call an economy “capitalist” when capitalism is dominant. The possibility of socialism, therefore, revolves around the problem of enlarging and deepening the socialist component of the hybrid. I refer to this as the problem of pathways to social empowerment. The fundamental problem of a social-socialism beyond capitalism, then, is whether or not a hybrid form within which social power is dominant can be created.

4. Pathways to social empowerment

The logic hybridization rejects the binary concept of capitalism vs socialism. Instead one can talk about the degree of capitalisticness or socialisticness of a political-economic structure. But note: this does not resolve the question of whether or not the only way to move decisively towards a socialism-dominant hybrid is revolution or reform, ruptural breaks with the existing structure or incremental metamorphosis. The problem of the limits of hybridization *under existing power relations* is distinct from the problem of what it means to move towards socialism.

FIVE PATHWAYS OF SOCIAL EMPOWERMENT

