ARGUMENTS FOR SOCIALISM by Phil Sharpe

INTRODUCTION

Not many left wing groups produce books on a particular subject. Therefore the book by the Alliance for Workers Liberty about socialism is a welcome exception to this rule. However, the vital question is whether the AWL has created an effective argument for socialism, and so has been able to oppose the view of various supporters of capitalism who suggest that alternatives to the system they defend are utopian and impractical. The AWL does not avoid the importance of polemic when attempting to uphold the standpoint of socialism. Their book consists of debates and arguments with the advocates of capitalism. Indeed the beginning of the book is based on an imaginary discussion between a fictional upholder of the present system with the leader of the AWL, Sean Matgamna. The essence of this debate is to try and uphold the view that socialism is not Stalinism. Indeed this is the most important theme of the book. In contrast, the supporters of capitalism, whether fictional or actual persons, present the view that the attempt to create a socialist society will end in Stalinist forms of party rule. But the defenders of the latter view are most concerned to outline why capitalism is the superior type of society within human civilisation and so socialism represents regression in comparison.

The major problem with the book is that few references to other works are indicated, and the AWL seems indifferent to the possibility of providing scholarly justification for its viewpoint. The only references are provided by the opponents of the AWL. This means the argument for socialism seems to be something that is based on past Marxist texts, and the contemporary justification of this standpoint is not elaborated. This means the development of market socialism is ignored, and the many works discussing Marx's views on socialism are not evaluated. It would have vastly improved this AWL text if the contemporary understanding of socialism had been discussed instead of ignored. Instead the AWL only seems concerned to debate with ardent supporters of capitalism. The book is also lacking because of the lack of interest in analysing the problematical relationship of democracy to socialism. In general the book is committed to upholding the connection of socialism and democracy but it does not discuss in detail how this aim will be realised. For example the significance of multi-party democracy is not elaborated in any meaningful sense. Hence we are left with the uncomfortable feeling that an AWL inspired government would repeat the mistakes of the Bolsheviks and be inclined to support one party rule. Support for this approach is based on the extension of the view that Stalinism was exclusively responsible for the repressive limitations of the post-revolutionary regime. What is not explicitly elaborated is how the Bolsheviks became the expression of bureaucratic distortions, and so promoted the creation of a degenerated workers state. It is only possible to defend revolutionary politics in relation to the role of democracy if we critically evaluate the Bolsheviks legacy. Instead this book acts as an apologist for the Bolsheviks. What is not understood is that this uncritical view of the past can undermine the development of the argument for socialism in the present.

THE POLEMIC FOR SOCIALISM

In the introduction to this book entitled 'Can Socialism Make Sense', Sean Matgamna defines socialism in the following manner: “To paraphrase one of its founders, socialism is the democratic organisation of production for use, of production for abundance, of plenty for all, without the exploitation of human beings. Socialism is the union of the whole world into an international federation of free and equal peoples, disposing in common of the natural resources and wealth....It means the working class, in the name and in the interests of society as a whole, taking the huge monopolies and trusts out of the hands of the capitalist monopolists and placing them under the democratic control of society as a whole, led by the same working class.”(1) The crucial question that arises from this definition of an alternative to capitalism is whether the realisation of this aim is too difficult for humanity to realise, and instead will result in a situation that is worse than what exists in the present. The AWL does not offer any guarantees that socialism will be realised, but it suggests that socialists can advance the possibility of creating an alternative to capitalism as a result of their leadership and example. But Matgamna is unable to establish that the class struggle is presently generating the possibility of socialism. Instead in his debate with an imaginary opponent he argues that economic crisis has shown that capitalism is a limited and flawed system that should be replaced. But his argument is based on moral indignation about the inequality of capitalism and its promotion of frivolous culture; therefore he cannot establish how this society and its problematical character can be transformed. He quite rightly argues in favour of a morality of solidarity and the aim of the democratisation of society, but he accepts that the dominant political and ideological forces seem to be those of a reactionary character. What is graphically omitted is any perspective about how the inequality generated by capitalism can be overcome. This standpoint indicates that Marxists have become critics of capitalism, and so their views about how to transform this situation are vague and unsatisfactory. Hence the only effective basis for justifying an alternative to capitalism is the approach of productive forces determinism: “Look around you at the foulness that immerses us all under capitalism and the squandering of the opportunities that capitalism's development of the productive forces gives us for creating a better world.”(2)

This criticism does not mean that Matgamna is wrong to connect the possibilities of the productive forces with the prospects for socialism. This view is the ABC of Marxism. But the ideological problem is that many people consider this situation as an expression of the achievements of capitalism and so do not connect these developments with the potential for socialism. Furthermore, the question of the connection between means and ends is lacking as long as a mass movement for an alternative to capitalism does not arise. Until that development occurs the material advances of capital will only be questioned by supporters advocating an ecological standpoint. Instead of addressing the strategic and ideological issues of the class struggle, Matgamna's major concern is to outline why socialism is not Stalinism. But even on this question his position is inadequate. He emphasises the opposition of genuine socialists to the authoritarianism of Stalinism, but does not also outline how a viable form of socialism could have been developed as an alternative. Hence he does not answer the point made by his imaginary antagonist who suggests that some socialists refuse historical responsibility for actual socialism as it developed in the USSR. (3) Indeed it is unfortunate that Matgamna glosses over the connection of one party rule with the development of Stalinism, and instead indulges in empty denunciations that do not provide alternatives to the despotism of Stalinist dictatorship. He does not outline a conception of socialism that would represent a contrast with that of Stalinism. Instead he is content to suggest that nationalisation is not socialism, and contends that a repressive regime cannot establish an emancipatory alternative to capitalism. Hence socialism is defined by the bravery of the people who opposed Stalinism and often were persecuted and liquidated. (4) This view is connected to the standpoint that a country of low development of the productive forces cannot realise socialism. Instead the forces claiming to be a socialist regime will retain power by tyrannical methods. In contrast to this terrible situation the only possibility for genuine socialism is based on mature capitalist development, or the evolution of the impulses for socialism within capitalism. (5)

This standpoint seems to be more Kautskyite than Bolshevik. What is ignored is the internationalist strategy that motivated the Bolsheviks. They justified the principled character of the revolution in Russia on the basis of the prospect of the international extension of the Soviet regime in connection to conditions of imperialist war and economic crisis. The revolution itself would radicalise the international working class: “In other words, the underlying principles of our tactics must not be, which of the two imperialisms is more profitable to aid at this juncture, but rather how the socialist revolution can be most firmly and reliably ensured the possibility of consolidating itself, or at least, of maintaining itself in one country until it is joined by other countries.”(6) Without recognition of this internationalist standpoint the Soviet revolution of October 1917 can only be defined as an adventurist and elitist act. Instead it was principled because despite the unfavourable conditions for developing socialism within Russia it represented the possibility to develop world revolution. Instead of making this point, Matgamna outlines the reactionary character of Stalinism as an attempt to create socialism in national terms but does not cogently outline the revolutionary alternative of Lenin and Trotsky.

Stephen Cohen argues that an important difference between Bolshevism and Stalinism was that the former became supportive of the New Economic Policy and therefore upheld a consensual approach concerning the question of promoting socialism.(7) Robert Tucker elaborates this view in terms of his conception of Stalinism as a repressive 'revolution from above'. He suggests that Lenin's aim of undermining the old order is extended in a reactionary manner and becomes the very basis of transforming society: “Its slogan or ideological banner was the building of a socialist society. But in substance, Stalinism as revolution from above was a state-building process, the construction of a powerful, highly centralised, bureaucratic, military-industrial Soviet Russian state. Although it was proclaimed “socialist” in the mid 1930's, it differed in various vital ways from what most socialist thinkers – Marx, Engels, and Lenin among them – had understood socialism to mean. Stalinist “socialism” was a socialism of mass poverty rather than plenty; of sharp social stratification rather than relative equality; of universal constant fear rather than emancipation of personality; of national chauvinism rather than brotherhood of man; and of a monstrously hypertrophied state power rather than the decreasingly statified commune state delineated by Marx in the Civil War in France and Lenin in the State and Revolution.”(8)

The process of modernisation led to unprecedented repression of the peasantry, and this process was accompanied with the purges that transformed the composition of the elite and eradicated any remaining anti-Stalinist elements. The result was the formation of an absolute autocracy, and the creation of a ruling class loyal to Stalin. The process of bureaucratic revolution was extended to Eastern Europe in the mid 1940's. Hence the structures of repression meant the system could not be a collection of degenerated workers states. Trotsky rejected this standpoint that an exploitative society had been formed as a pessimistic interpretation that proletarian revolution could not occur in the short term in the USSR and internationally.(9) But this perspective underestimated the importance of the importance of the repression of the working people of the USSR. This state repression was the basis of the exploitation of the subordinated classes in the interests of the expansion of the economy. It is this reason which primarily meant Stalinism cannot be socialism. The character of socialism is opposed to the justification of any form of exploitation. Hence Stalin may have defined his aims as socialist, this may have been his ideological motivation, but the effect of his policies was to generate the exploitation of the workers and peasants in order to uphold the aim of economic expansion and modernisation. The Bolsheviks under Lenin could not carry out the policies of Stalin because they were still restricted to what was possible in terms of the role of a bureaucratic workers state. Hence in 1921 the aim was to create a workers and peasants alliance in order to promote socialism via the role of the market. Stalin effectively rejected the continuation of the NEP because it restricted his intention to modernise the Soviet economy on the basis of introducing the process of exploitation of the workers and peasants. Hence the aim to introduce socialism in the USSR failed not merely because it was not previously a developed capitalist economy – as Matgamna implies – but instead because the situation of isolation created an elite that considered the NEP as a concession to the rich peasantry. They considered that modernisation of the economy – the so-called revolution from above – could only be carried out by the repression of the peasant and by strict centralisation of the planning process. The ideology of bureaucratic socialism meant the justification of a new form of exploitation. Matgamna implies that there was no alternative to Stalinism because of the unfavourable objective conditions in Russia, but this is wrong. There was a different option in the form of the continuation of the NEP and the perspective of international revolution. In this manner the aim of socialism could be advanced within a backward country.

Matgamna contends that class struggle is vital in order to realise socialism, but his primary perspective is based on the progressive dynamics of the advance of a complex economic alternative within capitalism. Hence he maintains: “The working class, in aspiring to own the great enterprises produced by capitalism, can only aspire to own them collectively and thus democratically (unlike the peasants, who could divide the land taken from the big landlords.)”(10) What this conception denies is that an important policy of the workers state is to promote the development of co-operative agricultural production. It is possible to reconcile the aspirations of the peasants with the aims of socialism, and without applying coercion in order to impose this approach. This was the standpoint of the Bolsheviks between 1921-28. Instead of outlining how socialism can be advanced in societies with a peasant majority, Matgamna upholds his deterministic view that socialism is only possible in advanced capitalist society: “Those so-called “socialist” political formations developed in societies which lacked the economic pre-conditions for working class socialism which Marxism named in its most basic doctrine – advanced capitalist economy. They developed on social bases very different from the politically aware working class to which Marxists looked as agency; and without the democracy which Marxism saw as an essential precondition for socialism.”(11)

What he is ignoring is that the societies he is referring to were dominated by Stalinism, which had an approach of bureaucratic modernisation and therefore ignored the importance of the democratic development of the alliance of the working class and peasantry in order to promote socialism. Hence socialism is not impossible in backward societies. Instead this prospect depends on the extent of the influence of a genuine revolutionary party, the role of the working class, and the development of support within the peasantry for co-operative production and distribution of goods. It is true that the unfavourable objective conditions means that the potential for socialism is more difficult in the third world, which is precisely why national forms of socialism are impossible and instead success depends on the importance of international revolutionary expansion. But it would be dogmatic to imply, as Matgamna does, the possibility of revolutionary success in the third world. Instead of this pessimism we need to consider how to apply the approach of permanent revolution in the most principled and effective terms.

The lack of reference to this strategy is an indication that Matgamna is implicitly upholding the euro-centric view that socialism is an aim that is limited to the most advanced capitalist countries. But Marxists should consider that because capitalism is a global system, and so has global contradictions and limitations, our perspective should be world revolution. This perspective is not articulated by Matgamna, because it is assumed that the possibility for socialism cannot occur in the under-developed economies. Instead this situation of under-development will only generate Stalinism, or some other type of unprincipled expression of the ideology of socialism. This understanding ignores the possibility for the genuine forces for socialism to arise in situations in which the working class is a minority, and industry is under-developed. Also many economically medium sized countries, as in Latin America, have radical and socialist traditions. Hence it would be extremely dogmatic to effectively limit the possibility for socialism to Europe and America. Matgamna can outline the various varieties of socialism that he is against because they do not advance the aim of socialism, but he is unable to be more constructive and point to situations in the recent past, as in Latin America, that have promoted the prospect of socialism despite ultimate defeat. Hence he effectively justifies an ideal conception of the struggle for socialism, and what constitutes a socialist society. He does not manage to connect his aims with the complex and diverse struggles that occur against the exploitation of capitalism. Hence he does not connect concrete developments with his definition of socialism. Instead his standpoint seems to be an expression of the views of Marx and Engels, and therefore lacks any reference to actual situations. Consequently in an abstract manner he contends that: “Socialism is human solidarity raised from a system of working class bonding in resistance to our exploiters to be the guiding principle of all society. It is the enthronement of unfettered reason armed with enlightenment and democracy in all the social, economic and political affairs of society.”(12)

This definition of socialism is able to express its moral values, and also indicates the conception of the capacity of the working class to promote this aim. But the difficulties of the attempt to establish this type of society are not outlined. Instead the definition is elaborated to include democratic self-rule in economy and politics, and it is argued that the major principle of economic organisation is co-operation. But this understanding does not tell us how the influence of capital within the economy is to be overcome. For example, the relationship between managers and workers is not outlined. It is suggested that employers will no longer be able to dictate exploitative terms to the working class in connection with the character of the relations of production, but this does not resolve the possibility for unequal impulses to develop within the process of production if the influence of capital is not overcome. For example, Meszaros outlines how in the early years of the Russian revolution the development of nationalisation was not able to end the importance of capital within the relations of production. This is because capital cannot be reduced to the role of the employer and instead it is effectively generated by the continued subordination of the working class within the character of productive activity. Hence the problem was that the political process expressed continued domination of labour despite the intentions to create socialism. The state was not transformed to the extent that it could promote the overcoming of capital within the process of production: “If in this respect the politically regulated extraction of surplus labour after the revolution is not controlled by the associated producers themselves, but by a political authority superimposed on them, that kind of relationship would inevitably reproduce the incurable antagonism of the old labour process. This must be the case even if the type of personification of capital confronting post-revolutionary labour would have to change in accordance with the altered socio-historical circumstances.”(12)

Matgamna is unable to recognise the importance of this point because he equates the role of capital with the importance of capitalists. Hence nationalisation that displaced the importance of the capitalist within the relations of production is sufficient to transform the character of economic activity. Hence he contends that ending the sale of labour power to employers would end exploitation, but he does not recognise that this development is only partial. What is crucial is that labour is able to establish its ability to end the domination of capital. This must mean that labour is able to dictate the terms of its own productive activity, and so is able to resolve the problem of hierarchy that resulted in the continued generation of alienation within the process of production. Hence Matgamna's ideal conception of socialism - the absence of the features of capitalist relations of production - is not sufficient. This is because the post-revolutionary state may not be able to promote and generate the required influence of labour within the process of production that will be able to overcome the significance of capital. Instead labour may remain in a subordinated and alienated condition. This is what happened in relation to the aftermath of the Russian revolution. Matgamna makes the same mistake as the Bolsheviks, he considers that it is sufficient to end the domination of the capitalist within the relations of production in order to generate the demise of exploitation: “Socialism would end the compulsion inbuilt in capitalist society for the workers to sell their labour power......to people intent on making money out of their labour power, that is on exploiting them.”(14) But this development is not sufficient in order to ensure that labour is able to overcome the influence of capital. Instead it is possible that the workers state could continue in new forms the process of exploitation if labour is not able to overcome the situation of continued subordination within the relations of production. Hence the promotion of industrial democracy is crucial if the significance of the influence of capital is to be overcome.

Nor does Matgamna explain what is meant by socialism based on the values of solidarity and co-operation. Instead he substitutes various platitudes and therefore does not outline in detail how a society based on the realisation of need would be superior to capitalism. The emphasis on these generalisations means his argument is based on the view that capitalism is based on the exploitation of labour and this is why we require the development of socialism. Flaws in this approach mean he does not tackle the sobering thought that the workers state in Soviet Russia was unable to promote the ability of labour to end the role of hierarchy within the relations of production. Labour was always subordinated to the imperatives of the state. This situation created the conditions for the Stalinist counter-revolution and the imposition of systematic exploitation within the relations of production. But Matgamna does not engage in this type of critical analysis of the October revolution, instead he praises various political measures such as the proclamation on peace, and justifies the dissolving of the Constituent Assembly. He glosses over the limitations of war communism, and does not discuss the process of the generation of a bureaucratic state. His approach relies on creating a massive divide between Bolshevism and Stalinism, but it means that many of the problematical policies of the Bolsheviks are not examined.

On the issue of the class struggle, Matgamna's approach is more measured. He does not deny the significance of defeats but outline how class struggle will revive because of the importance of the working class to the process of production. Furthermore, he does not deny the significance of the influence of bourgeois ideology and its promotion of the view that the existing system is eternal and so cannot be challenged. However, he still veers towards optimism in connection to the following comment: “Naturally, I have no guarantees to offer to you, or to those attracted to socialism, about exactly when the working class will revive, or when and where it will next be victorious.”(15) It is one thing to suggest that class struggle will revive, this prospect will occur because capitalism continues to rely on the role of labour power. But history has indicated that the process of revolutionary change has proved very complex and uncertain. This is partly because of the differences between the regular generation of working class militancy and the far lower levels of frequency of revolutionary change. The only authentic proletarian revolution is still that of Russia in 1917. Many possible revolutions have been defeated because of the role of Social Democracy and Stalinism. But today it has also become increasingly difficult to build mass movements for socialism because of the recent success of the offensive of capital and the decline of the working class in the advanced capitalist countries. Matgamna glosses over these aspects because his position is that the continuation of capitalism will generate the possibility of a successful struggle for socialism: “Labour movements can be, and I say, will be again converted to socialism which is the natural expression of what the working class is, and the necessary negation of the capitalist class and its system.”(16)

This view is inadequate because it implies that the contradictions of capitalism generate victorious class struggle. Instead we can establish that the working class is a collective class actor but without these type of optimistic guarantees. (17) The point is that it is necessary to distinguish between potentialities and actualities. The working class can become a collective force of struggle, but this is connected to the role of unions and parties. Hence the decline of Marxist organisation has undermined the possibility to create a mass movement based on the ideas of socialism. The revival of Marxism is crucial if the prospect of an offensive for socialism is to occur. Matgamna does not discuss this issue because he equates capitalism with the generation of class struggle. He also upholds his standpoint by suggesting that the working class is the overwhelming majority of society, and includes both white collar and blue collar workers. This point has validity but he ignores the recent influence of nationalism and other populist trends that have undermined the development of class solidarity. Hence his approach is optimistic and tends to ignore difficulties in terms of the revival of class struggle.

But, crucially, he does not ask the most important question. Can class struggle realise socialism? Instead of discussing this issue his preoccupation is with indicating that class conflict is integral to capitalism. This point may be true, but it does not establish that socialism will be the outcome of this dynamic. How will the consciousness of trade union activity become an impulse for socialism? Lenin is categorical that this question can only be answered by the transformation of trade union ideology in revolutionary terms: “But the spontaneous development of the working class movement leads to its subordination to bourgeois ideology......trade unionism means the ideological enslavement of the workers by the bourgeoisie. Hence our task, the task of Social Democracy, is to combat spontaneity, to divert the working class from this spontaneous, trade union striving to come under the wing of the bourgeoisie, and to bring it under the wing of revolutionary Social Democracy.”(18) Matgamna does not seem to endorse this standpoint, but he provides no other alternative other than to dogmatically suggest that capitalism generates class struggle. But how is this transformed into a conscious attempt to realise socialism? What is the relation of party to class in this context? The answer we would suggest is that the party has to act as the advisor and promoter of a strategy for socialism. In other words only the actions of the working class can promote the possibility of the struggle for socialism, but the role of the party is vital for generating the significance of revolutionary goals. This means the self-activity of the working class is crucial, however the influence of the party is also necessary if the limitations of trade unionism and bourgeois ideology are to be overcome. Nevertheless only if the working class embraces the cause of socialism will it be realised. Hence the perspective of a party revolution is both elitist and unable to create the necessary social force to promote the possibility of democratic socialism.

But it is necessary to avoid over-optimism because the creation of a mass movement in favour of socialism has become increasingly rare in the recent period. In Western Europe the working class has been on the defensive and become increasingly demoralised, and so the influence of populism has developed. Hence it is not sufficient for Matgamna to imply that capitalism will generate constant mass resistance, this view underestimates the durability of the system and ignores the problem of an unfavourable balance of class forces. Instead the prospect of creating popular support for the socialist offensive has a long term character as Meszaros argues. (19) He is also aware that this possibility requires the comprehensive reconstitution of the labour movement. (20) Consequently, the labour movement, as it is at present, which is defensive and reform minded, must become offensive and aspiring to realise revolutionary goals. This means the long-standing heritage of Social Democracy must be overcome and replaced with a determined attitude and understanding that limited goals are no longer adequate. Thus an ideological revolution must precede the development of conscious struggle for socialism. None of this perspective is recognised by Matgamna who is content to call vaguely for the revival of the class struggle. His approach is inadequate because it is perfectly possible for class conflict to occur in the limited terms of upholding defensive gains. The point Meszaros is making is that this approach is no longer sufficient or principled in the context of the offensive of capital against labour. Instead the only basis to defend existing gains is by elevating mass struggle to a higher level, which means upholding the importance of the offensive in order to overthrow the domination of capital. In contrast, Matgamna blurs the distinction between defensive and offensive struggle. What does his emphasis on the revival of the class struggle mean in precise terms? The point is that the only type of struggle that is effective in the present period of crisis and the ascendency of capital is one that is directed towards the goal of the overthrow of the existing system. The realisation of this aim will be very difficult because of the limitations of existing consciousness and the domination of the trade union bureaucracy, but nothing else is adequate if labour is to achieve victory over capital.

Matgamna outlines an adequate criticism of the limitations of bourgeois democracy which is a political system that defends the interests of the rich and powerful. However, his conclusion is problematical: “Yes, we are against bourgeois parliamentary democracy when the alternative is the higher form of democracy expressed in soviets or workers councils.”(21) This is a dogmatic comment that ignores the fact that changing circumstances may dictate different attitudes, indeed it is not impossible that a bourgeois Parliament may co-exist with the role of the Soviets. Indeed this was a possible option in 1917, and supported by Bolsheviks like Kamenev. The point is that whatever political system is adopted it should be based on the importance of many parties, and people should have the right to vote in favour of the return of capitalism. If this right is not permitted then the system is not democratic. There would also be a free press, with the rights for workers and other groups to create news media. In contrast, whilst Matgamna does principally connect the importance of democracy for promoting the cause of women's rights, he is silent about the gains of bourgeois democracy that would be of vital importance within a socialist society. Instead he is very strident about the limitations of what he defines as pluto-democracy, and so does not concern himself with the progressive features of universal suffrage, multi-party competition, civil liberties, and the role of a free media. In other words he fails to combine the most important elements of bourgeois democracy with the democracy of a socialist system. Hence he does not outline in any detail the necessity of regular elections, and the accountability of those elected to their constituents, the merits of proportional representation, and does not discuss the virtues of either Parliament or Soviets.

In contrast, we can learn from history that one party rule based on the role of the Soviets only results in the undermining of any type of democracy. This development of a party state can only be overcome if regular, possibly annual elections are held, and based on the free competition of parties both of a bourgeois and socialist persuasion. We should explicitly state that an effective socialist society would not fear the challenge of bourgeois parties and instead would expect that socialist parties would be re-elected to political power if they carried out their promise to promote the possibility of material welfare, encouraged industrial democracy, and developed public services and the importance of leisure activities. Only the failure of socialist parties in this respect would create high levels of popular support for bourgeois parties. This is possible, but this situation would mean that the forces of labour had been unable to overcome the influence of capital within the relations of production. Furthermore, in a successful socialist society it would be vital that working people take the initiative to create a society in their own image, and so do not constantly defer to political parties to take decisions on their behalf. Parties are still needed in order to establish the level of democratic consent for the system, but within this situation it should be possible for people to establish control over workplaces and therefore promote the development of socialist relations of production.

In contrast, Matgamna's anger about the limitations of bourgeois democracy implies that he considers it should be superseded by soviet democracy. This approach would be a mistake that would repeat the undermining of democracy in the early years of the Soviet regime in Russia. We should learn from this experience and recognise that in order to avoid the authoritarianism of one party rule it is necessary to maintain all the advances of bourgeois democracy, as described above. This situation does not necessarily mean that the role of Parliament would continue, but competition between parties would be an important feature of the political system. Indeed, it is the continuation of democratic freedoms that would be the most effective guarantee that the revolutionary process did not result in either authoritarianism or civil war. It is the very fact that socialism would be a novel system with the possibility of mistakes and failures, which would mean that the continuation of the highest standards of democracy ensures that any tendency towards one party rule is avoided. Indeed, if civil war does occur, it is to be hoped that the role of democratic freedoms are continued despite the problem of the counter-revolutionary role of the bourgeois parties. Hence the military defence of the workers state would be politically upheld by adherence to democratic criteria. This situation would be essential if the situation of civil war is to be resolved peacefully.

Matgamna does not discuss in detail any of the issues concerning the role of democracy in a socialist society. Instead he assumes that popular democracy will be superior to bourgeois democracy. This is a dogmatic stance, and indicates complacency on his part. He does not recognise that democracy has been a problematical issue for revolutionary socialists. Hence it is important to take the opportunity to discuss democracy within socialism. Instead he engages in a diatribe about the imperfections of bourgeois democracy. But we are already aware of these limitations. Instead what we are interested in is his views about democracy within socialism. The failure to elaborate these views indicates that either he considers this issue unimportant, or else he is reticent to challenge Bolshevik orthodoxy. What he has not recognised is that in advanced capitalist societies, with relative high levels of democracy, his dogmatic views are not adequate. People, quite rightly expect the highest democratic credentials from revolutionaries. Instead he acts as if the issue of democracy within socialism is resolved by the inferior quality of bourgeois democracy. What he does not accept is that bourgeois democracy is of a greater quality than the flaws of Soviet democracy. Hence we need to elaborate the programme of democracy within socialism. He has failed to carry out this task and instead tries to disguise his view with indignation about the limitations of bourgeois democracy. This standpoint is frankly inadequate.

Matgamna outlines how the very development of capitalism is preparing the basis for the possibility of socialism. He contends: “My point here, though, is that the development of the giant corporations has greatly strengthened the Marxist idea, that capitalism by its own operation, on its own laws of motion, erects the mechanical underpinnings of the future socialist economy.”(22) This view is true to the extent that without the socialisation expressed by capitalism it would not be possible to generate the objective possibility for socialism. But the problem is that the very durability of capitalism also encourages the view that the existing system is eternal and cannot be challenged or replaced. It is very logical to think that what seems to function in the present is the expression of the highest level of economic achievement, and so cannot be replaced by a superior economic system such as socialism. The problem is that the claims made for socialism are only about what is possible, and this contention is inferior to the objective truth that capitalism presently exists and seems to be both durable and generally successful. These claims in favour of capitalism are also upheld by the fact that the USSR has failed, and socialism seems to be an inferior economic system. In this context, Matgmna's arguments about the crisis of capitalism do not seem convincing. Hence his perspective that capitalism is increasing the forces of socialisation seems to be consolation for the fact that capitalism has not been challenged effectively in the recent period.

What would strengthen his argument is an attempt to outline the possibilities for working class radicalisation. Marx always made the point that the development of the productive forces suggested the possibilities for the significance of co-operative labour: “Along with the constant decrease in the number of capitalist magnates, who usurp and monopolize all the advantages of this process of transformation, the mass of misery, oppression, slavery, degradation and exploitation grows; but with this there also grows the revolt of the working class, a class constantly increasing in numbers, and trained, united and organized by the very mechanisms of the capitalist process of production.”(23) For various reasons this prediction has not been realised, but this perspective attempts to connect the objective tendencies for the possibility of socialism with the role of the subjective. What has made this prediction problematical is that capitalism has adapted in order to undermine the possibility of proletarian opposition and revolt. Hence Matgamna is being one-sided when he seems to suggest that capitalism has a tendency to be transformed into socialism. It is precisely because of this tendency that means capital constantly acts to undermine this potential by fragmenting the workforce into smaller units of production. Many workers have become sub-contractors in the modern era. Hence the very process of globalisation is based on the division of labour into increasingly smaller components of the workforce. The large scale factories are becoming a thing of the past, and replaced by more modest forms of mass production. This has an objective effect on the possibility of organising opposition to capital. This situation is made possible by the technological revolution and the end of previous forms of factory production. The company remains large and international, but the character of production is increasingly smaller and more fragmented. This generates the influence of paternalism and the identification of workers with the mangers of the economic unit. Hence the tendency for socialisation occurs on the basis of the undermining of class solidarity, organisation and consciousness. Thus the objective basis for socialism does not necessarily generate the related subjective conditions. Matgamna seems oblivious to the implications of this point because he can only envisage the progressive features of the objective tendencies of capitalist development.

Concerning the issue of planning within a socialist economy, Matgamna seems to recognise the criticisms made by the defenders of capitalism concerning the issue of the complexity and the related limitations of centralised planning. He argues: “What need to be planned and integrated into coherence are the great basic decisions of production and distribution. There is no reason why in such planning there cannot also be free choice of what individuals consume and production that is responsive to what people like or want.”(24) But whilst he outlines the importance of a plan that is flexible and democratic, Matgamna is still vague about the importance of a coherent price structure that can respond to levels of demand, or connect supply to demand. Hence, the system will require some form of market and a price structure if it is to be efficient and able to meet people's needs. Matgamna is still vague about this point because he cannot utter the word market. He is against the nationalisation of small businesses, and is for a limited plan that does not attempt to define all forms of economic activity, but he does not recognise that the logic of his standpoint is for a form of market socialism. Hence his approach is under-theorised and is vague like many proponents of a socialist economy. He would do well to consult Alec Nove's 'The Economics of Feasible Socialism'(25). Matgamna knows that he is against a strictly centralised and bureaucratic Stalinist economy, and he also is aware that it is not possible to plan all aspects of production and distribution, but what this means in terms of the relationship of the market to the plan, he is vague and ambiguous. Ultimately, Matgamna resolves these complex questions by insisting on the international nature of the development of socialism. This point is principled as a vital strategy, but it still represents a gloss concerning the issues of a socialist economy.

Matgamna outlines in convincing detail that if there is such a thing as a constant human nature it is based on traits like co-operation and solidarity. (26) But he does not address the vital issue that capitalism is more efficient than socialism because it connects the individual aspiration for creativity and initiative with the impulse for profit. (27) In this sense the human tendency for co-operation is connected to the individualist dynamics of capitalism. Instead of challenging this important view, Matgamna contends: “A socialist society will have a human ethos and morality. It will be governed by the central idea of human solidarity and intrinsic human worth. It will realise the great aspiration to human equality in society, in education, and in access to human resources.”(28) This is an eloquent definition of the moral values of socialism, but it is inadequate in terms of the issue of connecting economic efficiency with human emancipation. The point made by the followers of capitalism is that the complexity of an organised economy means that it is doomed to failure. Only the spontaneous and unorganised character of capitalism means that it can succeed. (29) These criticisms are precisely why Matgamna has failed to connect the importance of the moral values of socialism with the attempt to outline a coherent and plausible political economy. (This issue will be explored later) The apparent failure carry out these tasks means that the standpoint of bourgeois political economy seems to be vindicated.

In other words the strengths of Matgamna polemics for socialism are connected to a critique of the horrors of capitalism and the reasons why people should oppose this system and support an alternative. But he has not convincingly indicated why socialism is not Stalinism, nor has he outlined why socialism is more efficient than capitalism. He has eloquently elaborated the moral values of socialism, but he has not indicated an effective strategy that will advance the possibility of realising this aim. Instead his approach does not go beyond Kautskyite evolutionism, and his presentation of the reasons why the process of transition from capitalism to socialism is based on the dogmatic assumption of its inevitability. His approach is based on an emotional appeal for socialism and rejection of the defence of capitalism as cynical and immoral. His arguments will not convince people to become advocates of socialism, even if he may be able to retain the support of his present followers. He also outlines a dogmatic defence of Bolshevism and cannot envisage anything flawed about Bolshevism until Stalin obtained power. He does not seem to recognise that Lenin had many criticisms of the Soviet regime and defined it as a workers state with bureaucratic distortions. Indeed his analysis of the present and past is not precise, and is instead based on emotional argument. His arguments would be strengthened by engaging in polemics with real people instead of a fictional person. This type of imaginary polemic enables Matgamna to always win the argument, even with the most flimsy views! However, despite these limitations it is vitally important that Marxists attempt to address the question as to what is socialism. But this exercise would be more convincing if it was recognised that the ideas with which we defend our standpoint are not simply inherited from Marx, Engels, Kautsky, Lenin and Trotsky. Instead we need to engage with currents like market socialism and oppose the views of the most important defenders of capitalism. This elaboration would improve this welcomed exercise in support of socialism.

STALINISM AND SOCIALISM

In Trotsky's article 'Stalinism and Bolshevism', (which is reprinted in this book on socialism) he makes the problematical comment: “The proletariat can take power only through its vanguard. In itself the necessity for state power arises from the insufficient cultural level of the masses and their heterogeneity. In the revolutionary vanguard, organised in a party, is crystallised the aspiration of the masses to obtain their freedom. Without the confidence of the class in the vanguard, without support of the vanguard by the class, there can be no talk of the conquest of power. In this sense the proletarian revolution and the dictatorship are the work of the whole class, but only under the leadership of the vanguard. The Soviets are the only organised form of the tie between vanguard and the class. A revolutionary content can be given this form only by the party.”(30) The problem is that this formula is principled only to the extent that the party has a genuine relationship to the class via the authentic role of Soviet democracy. However, the demise of Soviet democracy, which was apparent by 1918, meant that the party substituted itself for the role of the class and therefore spoke as an expression of the class interest in false colours, or at least partial and distorted terms, and this situation represented the beginning of the process of degeneration. The dynamic for substitutions was always possible because of the unfavourable social conditions of the October revolution, and the increasing delay of the international revolution. In this sense, Stalinism, as the completed affirmation of substitutionism, did arise out of Leninism, even if it was also a rejection of the revolutionary objectives of the politics of Lenin and Trotsky. Hence there was always a problem of substitutionism because the party generally tended to be the active aspect in the process of relationship with the class. This meant Stalinism was the logical bureaucratic expression of the outcome of the development of elitism. Trotsky examines the adverse economic and political conditions for the generation of Stalinism, but he does not connect this development to the possible regressive impulses of substitutionism.

Hence whilst Trotsky is principled to call for a return to the traditions of Bolshevism in order to oppose Stalinism, it would be more perceptive and self-critical to also have outlined the contradictions and regressions possible within a relationship of substitutionism between party and class. Instead in reference to Bolshevism he repeats the view that: “It established for the first time the correspondence between party and the class which alone is capable of securing victory.”(31) The criticism being made about Trotsky's views is that he does not recognise the possibility of Stalinism within the potential dynamic of substitutionism in regards to the elitist relationship between party and class. Thus if the prospect of Stalinism is to be overcome and defeated not only is a return to the traditions of Bolshevism vital, but these very traditions have to be criticised and revised. Primarily the effective defence of substitutionism that is inherent within Bolshevism has to be rejected, and instead the party has to assume a more modest role in its relations with the class. The party has to become an advisor of the class and not its exclusive voice. The strategy of self-emancipation of the class has to be restored to the prominence given it by Marx and Engels, and the Soviets have to be recognised as the most important aspect of proletarian revolution. In this manner the possibility for an elitist Bolshevik party to re-emerge are minimised and instead the pre-conditions to overcome the renewal of Stalinism are developed and cultivated. We can also learn from the past that one party rule also encourages Stalinism, and is why we should be committed to a multi-party democracy. This flawed analysis meant that Trotsky's criticism of Stalinism is not adequate. He glorifies the Bolshevik party and so ignores the inner dynamics that led to Stalinism. This means he effectively ignored the fact that Stalin himself utilised substitutionist logic in order to justify his dictatorship. Trotsky's criticism of Stalin was one-sided because he could not contemplate any connection between Bolshevism and Stalinism. His standpoint would have been more measured and reflective if he had acknowledged that Bolshevism under certain adverse conditions did result in Stalinism. This standpoint would not have meant criticism of Lenin, but instead it would have recognised the importance of the degeneration of the Bolsheviks after 1918. Trotsky's uncritical view of the Bolsheviks was based on his failure to effectively analyse the political content of Stalinism.

Leszek Kolakowski accepts that Marx's writings provide no justification for Stalinism but asks whether his understanding of history could promote Stalinism in relation to the attempt to implement this standpoint: “Was every attempt to implement all basic values of Marxian socialism likely to generate a political organization that would bear marks unmistakeably analogous to Stalinism?”(32) This comment would seem to be a bizarre view because Kolakowski defines Stalinism as a system that is based on state nationalisation, totalitarian control of civil society, and the destruction of the working class as a political force with the end of Soviet democracy. The party was also subject to the despotic domination of Stalin. The only semblance of Marxism relates to what Kolakowski defines as the: 'false Marxist ideology'.(33) However, he also argues that the connection of Marxism to Stalinism is established because the goals of a non-alienated and social role of the proletariat cannot be brought about by the working class itself, and so because of this aspect of a lack of practicality within the Marxist conception of socialism, the goals of Marx can only be advanced by the party acting in the name of the class: “Consequently, the Marxist party is both the only vehicle of truth and entirely independent of the empirical (and by definition, bourgeois) consciousness of the workers.....Being the sole owner of truth, the party not only may completely discard (except in a tactical sense) the inevitably immature empirical consciousness of masses, but cannot do otherwise without betraying its historical mission.”(34) This situation results in the despotic power of the party leader who acts in the interests of society. Thus the aim of realising collective social power, via public ownership, can only be realised by means of a society without the proper application of law and applying the role of coercion. Hence if we connect the elitist role of the party with Marx's unrealistic conception of socialism, the result is dictatorship of the few individuals over society. Kolakowski contends that Marx's aim of a unified society can only be realised in the form of despotism, and this is what Stalin realised in practice. (35) Marx did not intend this situation but Stalin effectively carried out the logical aspects of an unrealistic utopian ideal.

The problem with this standpoint is that it implies that all types of society with aspects of nationalisation and collective organisation of production will result in despotism. Hence the only type of society that will not have this logic is capitalism. Mihailo Markovic in reply to Kolakowski suggests that we have to begin discussion with establishing what is meant by Stalinism. He argues that it represents the domination of society by a single party and bureaucracy, which has a monopoly of economic and political power. He accepts the connection between Stalinism and Leninism in terms of the role of an elite party, but he contends that Marx would reject the despotic nature of Stalinist society and instead connect democracy with socialism. This point was made in his writings on the Paris Commune. But Stalin's conception of social ownership of property is not democratic and is instead under the centralised control of the bureaucratic state: “But when Stalin characterises human relationships in the process of production he never allows a possibility of worker's participation in decision making, or their actual running of production and state affairs.”(36) Marx aimed to promote the emancipation of humanity, and in this manner aspired to overcome exploitation and alienation, but Stalin ignored this aspect and instead aimed to achieve state centralisation of production, which is not necessarily an aspiration of socialism. This does not mean that communism, or the classless society is being realised. Instead: “To the extent to which workers retain the status of wage earners and have no part in economic decision making, to the extent to which the means of production have not really been socialized but remain at the disposal of a particular social group (the political bureaucracy), although not owned by it, exploitation in the form of the material privileges of the bureaucracy, remains an ever-present possibility.”(37) But Markovic accepts the point made by Kolakowski that Stalin provided a policy that was able to answer Marx's inability to establish effectively how the working class could run society. His answer was the authoritarian rule of the party. The Marxist theory of the state was revised by Stalin in order to justify the role of a strong state that was the ultimate defender of the socialist character of society. However despite denying the connection of Marxism to socialism, Markovic accepts that the Marxist theory of the role of the working class for creating a new society was flawed and so was logically replaced by the role of the party. But he did not blame Marxism for the creation of a repressive society, which was the expression of Stalinist ideology and practice.

The issue left unanswered by Markovic concerns the ability of the working class to organised and administer society. It is true that a participatory society based on this type of mass activity has never been realised, but this does not mean that it cannot be created. Marx considered that the very role of the working class within capitalist production would suggest it could develop the initiative and creativity to promote the prospect to organise socialism. However, if this possibility is to be realised the very traditional elitist relationship of party to class has to be replaced with the confident view that industrial democracy is realistic. This means the Bolshevik view of the party and class has to be rejected and instead the role of the party should be to encourage the class to develop its capacity to run society. In contrast to this confidence in the ability of the working class both Kolakowski and Markovic question the Marxist conception of socialism as a form of society organised by the working class. In this sense there is scepticism that the working class can administer and organise society, and so the logical alternative is the rule of the party.

Matgamna alternative standpoint is to suggest that Stalinism could not be socialism because it was based on the unrealistic view that socialism could be constructed in an isolated and backward country. (38) The problem is that this standpoint does not address the view that Marx had an unrealistic conception of socialism, and also glosses over the apparent fact that the dynamic of the revolutionary process result in the rule of an elite party. In relation to the first question to some extent our understanding of socialism can be considered imaginary because it has not yet happened. In that aspect we are limited to making lessons from the Russian revolution and outlining the principles of what we would consider to be a genuine socialist society. This aspect was carried out by Marx and Engels, but we also have to address the various questions made by the critics of socialism. The foremost criticism is that a planned organisation cannot assimilate the immense level of economic knowledge that is generated by spontaneous economic agents. They suggest that the only way to resolve this issue is by the acceptance of a capitalist economy based on the market. But there is possibly a more difficult question. How can we ensure that that the forces of labour are able to become the major agency of organisation of a genuinely socialist economy? Possibly one of the few people to seriously address this question is Meszaros. He outlines how it is insufficient to limit the apparent revolutionary role of the working class to the restrictions of political action. Instead what is required is a total transformation of the relations of production in order to replace the influence of capital with that of labour: “Thus the real objective of socialist transformation – beyond the negation of the state and of capital's personifications is the – can only is the establishment of a self-sustaining alternative social metabolic order.”(39) Hence there is no substitute to the working class consciously acting to transform production. Only in this manner can the role of capital be overcome. This is ultimately why Marx recognised that only labour could bring about socialism. If the party substitutes itself for the class the only result can be the reproduction of the influence of capital in a new form. Meszaros also suggests that this task requires the end of the role of the market mechanism, but the problem with this view is that this aim is too complicated to be accomplished without artificial suppression by the dictates of the state. Instead what is important is whether labour can become dominant within the relations of production. In this manner exploitation and alienation can be overcome.

Hence the answer as to whether the problem of Stalinism can be overcome is a practical question. It depends on whether the forces of labour can oppose any tendency for the party to dominate productive activity. Secondly, in ideological terms the conception of substitutionism has to be rejected and replaced with a more democratic conception of the relationship of party to class. This means going back to the views of Marx and opposing the elitism of Bolshevism. The point is that history itself has indicated that the dominant role of the party cannot create socialism. Only Marx's view that the working class is the agency of the advance of socialism has been proved correct by the very experience of the USSR. Hence Marx's view is not limited or flawed by its emphasis on the role of the working class, and therefore Stalinism is not the inevitable result of the supposed limitations of Marxism. Instead Stalinism is the rejection of Marxism, but it is a bureaucratic expression of the regression of Leninism. The aim of Marx was the emancipation of all society via the revolutionary role of the working class. Instead Stalinism is the logical expression of the creation of a new type of exploitative society. Thus Stalinism is not the practical response to the supposed failed utopian project of Marxism, and is instead the effective rejection of the aims of Marxism in the context of difficult conditions for advancing socialism. Marxism as a task for human emancipation has not been properly tried, and it was in this sense that Stalinism became the response of a party that became more concerned with the maintaining of power rather than with the aim of advancing human emancipation. Marx cannot be blamed for the fact that Stalin was primarily pre-occupied with the goal of power rather than with the development of the principles of socialism.

THE CHARACTER OF SOCIALIST REVOLUTION

In a short article: What Socialists Do, and Why they do it', Sean Matgamna outlines a brief description of the revolutionary process as an expression of the possibilities of capitalist development, and the co-operative character of the working class, which results in class struggle and prepares for the possibility of the attempt to realise political power and so promote socialism.(40) He uncritically contends that the highest expression of the relationship of theory to practice was the October revolution. But the aftermath of this great event was the formation of Stalinism that defended an exploitative society. Revolutionary Marxism and its ambitious for the class struggle were defeated for a historical period. If the working class movement is to revive and re-develop in terms of expressing its past traditions it needs a process of ideological transformation that indicates capitalism is not eternal, that is a historically finite system with the dynamics which prepare its own end, and only the working class can struggle for and create a better type of society. (41) This perspective is only true to the extent that it implies capitalism can be transformed. But it would be one-sided and dogmatic to argue in a deterministic manner that the contradictions of capitalism mean it will inevitably be ended. Historical events have indicated that the process of change is very complicated and that the outcome of socialism is open-ended. We cannot say for definite that socialism will occur or not occur. Instead what we have to do is to create a credible party that can argue for socialism and promote the possibility to develop a mass movement in favour of the end of capitalism. Indeed Matgamna implies that the prospect of the success of Marxist organisation is not something that can be taken for granted: “Marxism as a living force in socialist organisations and in the labour movement is not something given – it has to be fought for and won and then again fought for and won over again, and then yet again.”(42)

This very precarious situation of Marxism indicates that for long periods bourgeois ideology may be effectively unchallenged, and the labour movement is on the defensive. Hence this very understanding should suggest that socialism cannot be an inevitable outcome of the limitations of capitalism. It may be that it proves too difficult to develop popular support for socialism. However, it would also be defeatist to rationalise this conclusion in a premature and pessimistic manner. Instead our goal should be to promote a strategy for the overthrow of capitalism and the creation of socialism. To this end, class struggle is the major dynamic of this prospect. The influence of Stalinism has meant that socialism has become discredited, and the role of bourgeois ideology is to continue to deny the possibility of alternatives to capitalism. This adverse situation indicates the complications involved in trying to advance the aim of socialism. In a reserved manner Matgamna seems to provide consolation for this complexity in terms of a guarded defence of the inevitable demise of capitalism. This is connected to his objectivist view that capitalism is preparing the basis for socialism. Such a standpoint is true to the extent that socialism could not be possible without the co-operative development of the productive forces that occurs within capitalism. But what is more crucial is conscious action by the working class in order to realise this potential. This point has to be emphasised give the evolutionism in Matgmana's position. In actuality this emphasis on determinism is reconciled with voluntarism because it is also implied that the prospect of revolution is certain with the role of a party: “A Marxist party can lead the working class to the degree that it wins their freely-given confidence. But we say this is how reality is: that the working class needs its own party to help realise its own possibilities as a class and to help free itself.”(43)

In this formulation there is the problematical view that the party is crucial to the liberation of the working class. Meszaros has outlined how there is no other alternative than to strive for the self-emancipation of the working class if capitalism is to be genuinely transcended. Hence this means that the party should have a modest role that attempts to promote the very ability of the working class to realise its own liberation. However, the analysis made of Stalinism by the AWL does not lead them to reject substitutionism. This is because they differentiate between Bolshevism and Stalinism. They do suggest that a revolutionary party should serve the class, and it does not aim to dominate it. But the point is that genuine socialism should not be about the supremacy of any party, including the most principled revolutionary party. The role of parties should be to promote the institutions of soviet democracy. This situation is the most effective basis to undermine any possibility of one party rule.

THE ECONOMICS OF SOCIALISM

Martin Thomas argues in favour of socialism in terms of the limitations of capitalism and Stalinism. He is adamant that the centralised nationalisation of Stalinism can be avoided in a genuine socialist society which can develop democratic planning. He is also explicit that it is not possible to overcome the role of the market in the short term, but he does not outline what he means by the significance of the markets, and he omits to mention the importance of establishing the correct relations of supply and demand in the provision of consumer goods. He is also cautious about the advantages of planning and suggests that drudgery within production will be a common feature of production before it is possible to overcome alienation. He does contend that it is possible to develop a society on the basis of solidarity because that is the major feature of the character of the social activity of the working class. This introduction does not tackle the important issue concerning whether a planned economy can utilise the immense amount of information needed to promote economic efficiency in comparison to the dispersed knowledge produced by the role of the market. He also does not adequately tackle the argument that it is the profit motive that generates efficient production, and instead he emphasises how this aspect promotes a situation of monotony and uncertainty for the working class.

David Marsland replies to the arguments of Martin Thomas. He insists that markets are crucial if information about consumer preferences is to be obtained. He contends that generalised planning by the state becomes over-centralised and bureaucratic and instead it should be limited and related to the requirements of the market. In contrast socialism implies the aspiration to overcome the role of the market, but this system is inefficient when compared to the ability of capitalism to overcome poverty, achieve economic progress and tackle inequality. But primarily socialist planning is mythical because it cannot access accurately the information it is provided with, and so its plans are irrational and not based on an efficient calculation of resources. Instead the market is the only expression of the complexity of knowledge provided by the dispersed information of consumers and companies. Thus it is the price mechanism acting under market conditions which provides the data for economic efficiency: “Moreover, even if the information were available – which by definition it cannot be in a socialist society – there is still no way it could be collated and analysed by a planning unit or by a single person or by any other means than the infinite complexity of the market itself. Dispersed knowledge simply cannot be mobilised centrally.”(44) The limitations of planning means shortages are generated and supply is reduced, and the quality of goods is often defective. Only the role of the market can accommodate the massive complexity of consumer preferences, and it is entrepreneurs who are most able to respond to the changes in market demand.

In his reply, Thomas accepts that Marsland has made a valid point about the problem of utilising information within a planned economy. He replies: “Marxian socialists have long argued that because of the difficulties of centralising information, a workers government would have to combine strategic planning with the use of markets for a long time.”(45) However, he does not outline how the role of the market and the plan would be combined, except to imply that the issue of the continuation of the market would be a 'difficult question'(46) This does not represent an effective reply to Marsland who is arguing that because of its rigid inefficiency it is not possible to establish a socialist planned economy, and instead only the market is functional. Instead of outlined in promising detail the character of a socialist economy – the issue of the relationship of plan to market – Thomas prefers to concentrate on outlining the limitations of capitalism, and he argues, quite rightly that the ideology of the market only obscures the reality of the exploitation of labour by capital. He outlines in detail how capitalism does not realise the basic needs of the majority of the population in many countries. Thomas's description of capitalism is not inaccurate but he has refused an opportunity to refute some important criticisms of a socialist economy, despite being aware of these issues.

He has refused to answer the point that a socialist plan can never utilise its information in an efficient and practical manner, which indicates the superiority of a market economy. His reluctance to provide a detailed refutation of Marsland's views is because he does not want to establish the full extent of the influence of the market within socialism. We can try to overcome this reluctance with an attempt to outline the essential aspects of a genuine socialist economy. The point is that worker's co-operatives will create goods in accordance with levels of demand provided by the market. In order to ensure that goods met the criteria of needs, the most basic commodities can be provided at low prices, and some goods can be provided for free. It will also be possible to produce energy at low prices, and public services will also be free. This type of economy should be able to provide goods without there being an excess of supply over demand, which is often the problem within advanced capitalism. But the aim of efficiency means that the plan is merely a collection of guidelines, and therefore avoids the rigid limitations of providing exact production figures. These priorities can be adjusted in relation to the level of market demand. The level of market sales will be connected to the aims of the plan, and so the role of the market will be to provide for adjustments to the level of production which is based on satisfying consumer need. The importance of the market will be limited to the general objectives to promote socialism because labour is no longer a commodity, and instead the remuneration of labour represents the needs of the worker rather than the imperatives of capital accumulation. But sales of goods provide the profit needed to generate their production. The importance of economic democracy is one of the most crucial aspects for reconciling the market with the objectives of socialism.

Hence the plan accepts that it is not able to process all of the information of economic activity. Instead it is admitted that the role of the market is an indispensable mechanism for providing the information to guide production and the process of consumption. In this manner the objectives of the plan will be guided by the market. But this situation is not a recipe for the re-introduction of capitalism because labour is no longer exploited and alienated, and it is instead the very organisers and active agency of production for the market in order to meet needs. However, it is also recognised that many services will not be subject to the fluctuations of the market and instead will be provided on the basis of need, and will be free if possible and economical. These include health, transport, education, leisure activity and social services. Hence in many respects, socialism will not differ very much from the advances of the welfare state. The central difference is that the system is based on industrial democracy. The point being made is that the market is presently alienating because it is based on the requirements of private capital and the process of accumulation. It is possible to overcome this aspect of alienation by promoting the transformation of the relations of production so that the working class are the primary organisers and administrators of production. In this manner people will be producing the goods that they want as consumers. Hence the economy will not be one in which they are told what to produce by the elite administrators of the plan. Instead the guidelines of the plan are based on the aspirations of working people, and this is how the market will also act to realise the general welfare. Under Stalinism the consumer was told what to want by the plan, and so inevitably they did not want the defective goods that were produced in accordance with bureaucratic inefficiencies. In contrast, genuine socialism will already be able to take advantage of the highly developed consumer sector of advanced capitalism, and it should not be difficult to modify this sector in favour of an even higher ability to realise needs. The fact that companies plan in order to estimate market requirements should be adopted within socialism in order to ensure that the goods people want are created and accessible. This process should ensure the creation of goods that are beneficial to the health and well-being of the people. The virtues of sport will also become a priority of the socialist society. In this manner high levels of consumption will be part of the creation of a healthy and active population.

In other words what is being envisaged is not a centralised economy. Instead the workers co-operatives will have the independence and freedom to choose what they produce. The central plan will only be needed in order to ensure that duplication does not occur. This does not mean that the market dominates over the importance of the public sector or re-introduces the logic of profit making. Instead the market is regulated by the concern to realise material needs and social welfare, and so the character of the market is defined by the transformation of the relations of production which introduces the importance of industrial democracy and social justice. What is being suggested is that the introduction of socialism within an advanced capitalist economy does not represent a radical change from the tendencies towards socialism which are already apparent within the welfare state. Instead it would not be a drastic change to improve the public services that already exist within capitalism, and to introduce a different economic logic that represents the interests of all of humanity. Hayek was always wary of the welfare state because he understood that it would not require abrupt change for this situation to become transformed into socialism. This is why he comments that there is a difference between a welfare state with the primary aim of upholding individual liberty and one that is based on the standpoint of the distribution of income. He believes that the latter means: “This is the kind of welfare state that aims at “social justice” and becomes “primarily a redistribution of income”. It is bound to lead back to socialism and its coercive and essentially arbitrary methods.”(47) The crucial aspect that prevents the welfare state becoming socialist is the lack of effective industrial democracy and the continued domination of private enterprise. However, in the sense described above it is transitional to socialism which is why the Tories have been so concerned to undermine the importance of the welfare state. However, it will be possible to revive public services in a short period of time and adapt the role of the market to the aims of socialism. The point is that economic modification should be sufficient to realise socialism rather than the necessity of drastic policy transformation. What will be important is that the aims of society will change, but the infrastructure for the realisation of these new ideals will be already created.

But Hayek contends that an efficient socialist society can never be created because of the following reasons: “Adaptation to the unknown is the key in all evolution, and the totality of events to which the modern market order constantly adapts itself is indeed unknown to anybody. The information that individuals or organisations can use to adapt to the unknown is necessarily partial, and is conveyed by signals (e.g. Prices) through long chain of individuals, each person passing on in a modified form a combination of streams of abstract market signals.”(48) Hence the assumption being made is that this dynamism of the market cannot be combined with any form of state planning, and instead it is based on a system of private ownership. Only this economic system can respond to the partial signals generated by the market. This is why he concludes: “The market is the only known method of providing information enabling individuals to judge comparative advantage of different use of resources of which they have immediate knowledge and through whose use, whether they so intend or not, they serve the needs of distant unknown individuals. This dispersed knowledge is essentially dispersed, and cannot possibly be gathered together and conveyed to an authority charged with the task of deliberately creating order.”(49)

This point would be unchallengeable if we aimed to re-create a planning mechanism that did aim to establish control of all aspects of production and consumption. But we have learnt about the inefficiencies of this type of centralised plan, and instead what is more realistic and yet effective is a plan that is about establishing flexible guidelines. In this context we consider that it is possible to combine the advantages of the market, as described by Hayek, with the aims of socialism such as realising need and social welfare. Indeed it would be possible to extend the range of goods provided by the logic of the market because the question of supply is not restricted by emphasis on the profit motive. Hence the socialist economies of the future need not duplicate the supply shortages of the Stalinist economies of the past. The point is that a de-centralised industrial economy and rural co-operatives would enable the creation of an economy that was able to utilise the skill of labour in order to create an immense diversity of goods. In this sense the collective knowledge of the workplace would combine with the individual demand of the consumer in order to create a mass production and consumption economy. If the good produced by an individual workplace was no longer wanted because of poor sales, the co-operative would be encouraged to change the character of production with the financial support of the state.

What is being suggested is that the aspect of complexity of the economy, the unknown character of market demand, is not such a serious problem that it will undermine the possibility to create an effective socialist economy. Instead it will be possible to establish the advantages of co-operative labour that are able to accommodate the unknown and changing character of the fluctuations of the market. In other words we reject Hayek's implicit view that only with the role of the capitalist will it is possible to create an efficient economy that is based on the significance of the market. Instead the suppressed skills of the workforce, which have been undermined in the name of profit-making, will be emancipated and utilised in order to produce high quality and a diverse variety of goods. Stalinism was not concerned with the material welfare of the people because its major aim was the extraction of surplus from the workers and peasants, and so the quality of goods was inferior and often scarce. But the genuine socialist economy will have as an important priority the quality of consumer goods, and to this extent the role of the market is still indispensable. To suggest that this task is beyond the capacity of human beings is to deny the actual innovative and enterprising character of practical activity. It is a dogma to suggest that human productive efficiency is limited to capitalism. Instead the possibilities of human practice are presently limited by the alienating and exploitative character of capitalism. This situation can be overcome with the development of democratic socialism.

Hayek cannot envisage these possibilities because he was ultimately an apologist for capitalism and not the market. The market is conceived as being of importance because it upholds the system of capital. This is why he does not oppose the role of the strong state if its aim is the defence of the interests of capital. His rigid standpoint means that he can only envisage capitalism as the essence of history. Any other system like socialism is an aberration, or the result of the inclinations of intellectuals. What he cannot admit is how socialism represents the very tendencies of capital, as explained by Thomas and Matgamna. Hence his approach rejects the dialectical appreciation that capitalism is the generation of the possibilities of socialism. What uphold capital in this situation are not the efficiencies of the system, as extolled by Hayek, but rather the ideological domination of classical political economy. The significance of ideology is able to justify a system that is in actuality increasingly unable to meet the requirements of material welfare and prosperity. This is why capital is able to present itself as permanent and not as a possible transitory order before the ascent of socialism. Hayek recognised these transitional possibilities in the role of the welfare state, which was why he was so strongly in favour of its effective demise. His ideology was that of the omnipotent power of capital over labour, which was disguised in terms of the praise of the market. Hence he was very concerned with the 'monopoly' role of the trade unions, or their effectiveness in opposing the aims of capital. (50)

In other words he related the role of the trade unions with the importance of the welfare state as the combination that could realise socialism. Thus he was not opposed to the development of a strong state to undermine this potential for an alternative to capitalism. The real warriors of class war are the most ardent defenders of capital. This standpoint represents the understanding that capitalism is ultimately a declining system that can be replaced with the socialist alternative. Consequently the ideological view that the market is eternal is based on the pragmatic understanding that it is necessary to continue to realise the domination of capital over labour. It is recognised that the working class are unreliable supporters of the market because of their antagonistic role within the relations of production, and so as Hayek is aware it is continually necessary that the ideas of the minority become those of the majority. (51) This means he can only uphold a dismal view of continual class struggle and the necessity to suppress the opposition of the working class. In contrast, Marxists can uphold the bright future of socialism.

CONCLUSION

The book by the AWL about socialism is very welcome. It outlines a convincing and appealing conception of a future society that can overcome the limitations of capitalism. This means the possibilities within the present are shown to have the potential for a better future. The difficulties of bringing about socialism are not ignored, and it is accepted that the ideological influence of the defenders of the present system are often able to undermine the attempt to realise an alternative to capitalism. However, the elaboration of socialism is sometimes dogmatic, and it is presumed that people will accept the superiority of the future classless society. Furthermore, the arguments made about the differences between Stalinism and socialism are often crude, and it is assumed that Bolshevism had nothing in common with Stalinism. This view ignores the fact that Bolshevism became an elite party that dominated the state apparatus and so prepared the pre-conditions for the emergence of Stalinism. The substitutionist ideology of the Bolsheviks is not admitted, and the fact that Lenin was a type of proletarian dictator is not accepted. Consequently, the differences and similarities between Leninism and Stalinism are not elaborated, and instead Trotsky's defence of Bolshevism is uncritically accepted.

But what is most apparent is that the literature on the issue of socialism is not assessed, and instead the book has an unsystematic character. It would have been more useful if questions like market socialism and industrial democracy were outlined in detail, and the relationship of capitalism to socialism elaborated in a more reflective manner. The book was also more concerned with addressing issues about how terrible capitalism is rather than trying to develop arguments that indicated that socialism can be both efficient and committed to social justice. In this context the possibility to address the opposition of Hayek to socialism was not made, despite the fact that David Marsland defended capitalism in these terms. This means the claim that only the market is an effective allocator of scarce resources was only dealt with briefly, and the justification of a market type of socialism was made very reluctantly and without a necessary explanation. Hence, the book did not measure up to academic standards of debate and discussion. The beginning of the book had an imaginary debate between Sean Matgamna and a fictional opponent of socialism that was often predictable and led to 'easy victories' for the author. It would have been more beneficial to have instead had a disciplined article that made the arguments for socialism in terms of replying to real academic opponents, and to discuss the work of other Marxists like Peter Hudis, who has outlined Marx's understanding of socialism. (52) The few debates with genuine people concerned the arguments of the most right-wing opponents of socialism, and so these discussions were predictable and not illuminating. What was sorely absent was an analysis of the views of opponents like the work of the Socialist Workers Party, and especially the standpoint of Alex Callinicos. But despite these criticisms the book was worthwhile, even if it could have been improved. It is to be hoped the AWL produce similar works in the near future. This point also applies to the other Marxist groups, with the exception of the prolific work of Callinicos.

FOOTNOTES:

(1)Editor Sean Matgamna: Can Socialism Make Sense, Workers Liberty London 2016 p7

(2) ibid p15

(3) ibid p21

(4) ibid p27

(5) ibid p29

(6)Lenin: Theses On the Question of a Separate Peace, in Collected Works volume 26, Progress Publishers, Moscow 1964 p445

(7)Stephen Cohen: Old and New Approaches, in Stalinism (editor Robert C Tucker) George J Macleod Ltd Toronto, 1977 p3-29

(8)Robert Tucker: 'Stalinism as Revolution from Above' ibid p95

(9)Robert H McNeal Trotskyist Interpretations of Stalinism ibid p38

(10Matgamna op cit p31

(11) ibid p32

(12) ibid p34

(13)Istvan Meszaros, Beyond Capital, Merlin Press London 1995 p632

(14)Matgamna op cit p35

(15) ibid p54

(16) ibid p56

(17)Erik Olin Wright: Understanding Class, Verso, London 2015 p144-145

(18)Lenin: What is to be Done, Collected Works volume 5 p384-385

(19)Meszaros op cit p703-738

(20) ibid p733

(21)Matgamna op cit p74

(22) ibid p93

(23)Karl Marx Capital Penguin London 1973 p929

(24)Matgamna op cit p95

(25)Alec Nove: The Economics of Feasible Socialism

(26) ibid p100-118

(27)Frederick Hayek: Constitution for Liberty, Routledge London 2006 p21-36

(28)Matgamna op cit p124

(29)Hayek op cit p49-61

(30Trotsky: Stalinism and Bolshevism, in Matgamna op cit p195

(31) ibid p199

(32)Leszek Kolakowski: Marxist Roots of Stalinism in Tucker op cit p284

(33) ibid p289

(34) ibid p293

(35) ibid p296

(36)Mihailo Markovic Stalinism and Marxism op cit p303

(37) ibid p309

(38Debate between Sean Matgamna and Roger Scruton: p143-144

(39)Meszaros op cit p792

(40)Sean Matgamna: “What Socialists do, and why they do it op cit p331-344

(41) ibid p341

(42) ibid p343

(43) ibid p359

(44)David Marsland ibid p384

(45)Thomas ibid p388

(46) ibid p389

(47)Hayek op cit p226

(48)F.A Hayek: The Fatal Conceit Routledge, London 1988 p76

(49) ibid p77

(50)Hayek Constitution of Liberty op cit p233-247

(51) ibid p90-102

(52)Peter Hudis: Marx's Concept of the Alternative to Capitalism, Haymarket books, Chicago, 2013