

UTOPIAN SOCIALISM AND MARX'S *CAPITAL*: ENVISIONING ALTERNATIVES

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1. Introduction

Socialists have for the most part been reluctant to advocate any specific form of society as the outcome of their critical analyses of capitalism. The immediate reason for this may well be the historical inadequacies of 'actually existing socialisms', of whatever variety. It is also a simple consequence of the overall pre-eminence of capitalism during the last 200 years or so, since its institutions and practices have shaped people's political common sense. While precapitalist orders were ruled by an élite or class constituted by tradition, religion or simply force, the ideology of capitalism has usually proclaimed the 'voluntary' adherence of its members through some form of democracy. As a result, arguments for socialism have usually begun from a presumption of democracy, coupled with a commitment to challenging capitalism's economic and social inequalities.

I suggest that the absence of an explicit utopian dimension in socialist debates has seriously weakened our ability to respond to the resurgence of (neo)liberal capitalism since the 1970s. I begin in section 2 from a brief definition of a socialist utopia in Part I of Marx's *Capital Vol. I*, and then set out four key issues that arise in elaborating this definition, focusing on work, production, distribution and education. Section 3 then suggests that Marx's critique of capitalism helps us to find the seeds of a future utopia in the day-to-day functioning of capitalist society: this can be the starting-point for building a more effective movement for democratic egalitarianism.

2. The free association of producers: four key issues

Very near the start of his most comprehensive analysis of capitalism, Marx gives us a snapshot of a possible socialist utopia:

Let us now picture to ourselves, by way of change, a community of free individuals, carrying on the work with the means of production in common, in which the labour-power of all the different individuals is consciously applied as the combined labour-power of the community (Marx, 1867 / 1965: 78).

This, in essence, is the idea of a free association of producers (hereafter FAP).

A would-be FAP evidently faces a daunting task in establishing and reproducing a social order that can meet humanity's needs. The failures of socialism as it actually existed in the 20th century (Radice 2010) are often attributed by socialists to the determined opposition of capitalist ruling classes to any encroachment on their powers and privileges. A better socialism, however, has proved very hard to figure out, both in academic studies and in utopian fiction. In this section I explore the issues by examining four propositions that taken together may provide a starting-point for discussion.

a) production should be seen as embracing both the physical transformation of nature into means of subsistence, and the political administration of these activities

The fragmented character of mainstream social thought is particularly acute in regard to the relation between 'economics' and 'politics' because their ideological separation forms

a crucial step in legitimising unequal access to the means of production under capitalism. In all liberal conceptions of the state, the most important liberty is that relating to individual property rights: the freedom of property-owning citizen to alienate their property through exchange. The corollary, reflecting the political context of absolutism in which capitalism first emerged, is that as far as possible the state's role should be restricted to ensuring that freedom. Neoclassical economists have put forward different views as to how this can be done, but a central mainstream tenet today is the 'efficient markets hypothesis', that is, the view that markets provide the most efficient means of allocating resources. Underpinning this view is the anthropological premise of 'economic (wo)man', who comes to the market equipped with given tastes and motivated by the desire for individual advantage. Socialists have found it difficult to challenge the mainstream's understanding of both the state and the individual, which have by default become part of our 'common sense'.

On the one hand, *market socialist* models have accepted the idea that consumption is the primary purpose of production, and that it takes place in privately-constituted households which determine their own patterns of expenditure. Recognising that capitalist economies are characterised by gross inequalities of wealth and power, they mainly argue for these to be challenged *politically* through the redistributive taxation of income and capital by the state, or through public ownership of certain spheres of production (notably 'utilities' such as gas, water, etc.). This standpoint lay at the heart of twentieth-century social democracy, but it has been politically marginalised by the rise of neoliberalism since the 1980s.

The alternative socialist model of *central planning* rejects the efficiency of markets and argues instead that the direct allocation of resources to the production of an agreed variety of goods and services is more efficient. However, in the literature it remains commonly assumed that responsibility for planning is held by a state constituted over and apart from its citizens, and historically 'actually existing' communism collapsed as soon as its own ruling élite began to question the effectiveness and legitimacy of state planning.

An FAP can challenge this historical failure through the collective democratic planning of production. In the early 1940s the Austrian politician and philosopher Otto Neurath challenged Hayek's classic rejection of socialist planning on grounds of informational efficiency, arguing that the scientific community organised extremely complex networks of activity without recourse to markets (O'Neill 2006). Earlier, guild socialism had offered an approach to economic democracy based on the political determination of resource allocation through enterprise- and sector-based public deliberation. Yugoslav self-management offered an alternative in principle from the 1950s to the 1970s, although its functioning was continually undermined by market forces, including foreign competition, and by an all-powerful one-party state able to intervene at will. The key step is to integrate 'economic' and 'political' decision-making into a public structure for arriving at agreed collective decisions. As LeGuin (1974) illustrates, this is messy, cumbersome, often frustrating, and requiring above all the wholehearted commitment of the great majority of citizens to that public structure. Furthermore, extending the collective process of democratic economic decision-making internationally adds a further set of political challenges.

The primary objection by liberals to collective democratic planning concerns freedom of choice, which has been at the forefront of recent neoliberal assaults on the public sector. This can only be challenged by rejecting the modern consumerism that demands always not only 'more' but 'different', and the manipulation of tastes and desires by private producer interests.

A second common objection concerns technological innovation, where mainstream economists argue that central planning eliminates the financial incentive that a market economy offers to producers who can reduce their own cost of production below the

prevailing level. To socialists, innovators are motivated not only by personal financial gain, but also by the wider social benefits of their work.

b) work is understood as useful labour that meets the human need for creativity as well as subsistence

By useful labour, I mean firstly labour that provides goods or services that meet social needs. These needs can be expressed directly, rather than through the presentation of money or credit in payment. Many needs have historically been met in capitalist economies through the provision of what even mainstream economics used to recognise as ‘public’ goods: especially where economies of scale justify having a single supplier only; where provision is necessarily universal regardless of any individual expression of need, as in the case of defence; or where substantial ‘external’ effects exist, as with immunisation programmes or the control of pollution. Especially in conditions of natural resource limits and the threat of climate change, such public good considerations may apply to a very large proportion of production.

But what motivates us to work? Under present-day neoliberalism, it is generally assumed that work is a bad, not a good, and that we only undertake it when offered the promise of a carrot (money) or the threat of a stick (dismissal). While this is primarily applied at the individual level, it is reinforced by the promotion of economic nationalism, in which workers are urged collectively to work harder in order to compete with the workers of other countries. But in an FAP, we do not consider exclusively the benefit that we ourselves receive from our work: we also regard the benefits of *others* as a benefit to ourselves. Given the fundamental importance of material subsistence, it is in relation to work that the general moral critique of individualism has its most important application. Furthermore, there is no intrinsic limit to the scale and scope of this application, short of humanity as a whole.

The question of creativity, already raised in relation to innovation, applies to work in general. Marx himself criticised the dehumanising consequences of modern industry visible in the monotony of endlessly repeated actions, and in the appropriation by owners of skills now embodied in machinery (or today also in information systems and their operation). He also recognised that the growing application of science and technology increased the use of skilled workers, technicians and managers. Today even the most skilled, as well as professionals in fields such as law, medicine and education, are themselves subject to deskilling and coercive control. Yet it is absurd to imagine that people only ‘perform’ under the promise of extra reward or the threat of punishment, and even the most routine of work activities usually offers some intrinsic satisfaction.

This is especially true of that huge range of activities, outside of places of employment, that provide a large part of our necessary subsistence, as well as leisure activities. Unpaid work in the household or in the wider community has been regarded by many socialists as an unrecognised subsidy to the wages of employment (See Spronk and Miraglia and Ozmen this collection). If all that work was rewarded at the going rate for waged employment, the measured value of labour-power (the cost of reproducing wage labour) would be substantially higher. However, such unpaid work takes place in contexts radically different from the workplace; typically its planning and execution of activities does not entail monetary calculation, and is infused instead with intrinsic values of mutual support and service to others. The corollary of this is that such values *also* remain at some irreducible level in paid work, as has always been recognised in humanistic critiques of so-called scientific management (for example time-and-motion studies) by sociologists and social psychologists.

Whether creativity is a real human need remains a disputed question. Many have argued that while the ‘young’ Marx passionately espoused an anthropological standpoint of historical progress as the realisation of a human essence, the ‘mature’ Marx saw history as the outcome of social structures (or modes of production) developing in a clear sequence through the actions of individuals and groups (see Fleischer 1973). In those varieties of socialist thought that come closest to our FAP, such as council communism and syndicalism, the structuralist view is rejected in favour of a humanism that comes from social practice, rather than being innate in the human mind. From such a standpoint, creativity exercised in production for social need is itself a need for all of us.

c) an association can only be ‘free’ if there is general acceptance of substantive material equality as the basis for equal participation in production and reproduction

George Orwell wrote in *Homage to Catalonia*:

The thing that attracts ordinary men to Socialism and makes them willing to risk their skins for it, the ‘mystique’ of Socialism, is the idea of equality; to the vast majority of people Socialism means a classless society, or it means nothing (Orwell 1938: 104).

In a time like the present, in which inequality of wealth and income is once again reaching staggering levels, this view appears hopelessly idealistic and outdated. Instead we are invited not only to envy the rich and seek to emulate them, but to be grateful to them because of the jobs they create and their ‘charitable’ donations. Recently there has been a modest backlash, with critics like Wilkinson and Pickett (2009) arguing from empirical data the harmful consequences of inequality for the health and well-being of all. But I suggest that our FAP will be doomed to failure if it is not founded upon a positive case for equality, rather than upon the critique of (extreme) inequality.

Part of the problem is simply that, outside of relatively small units such as extended families, cooperatives and subsistence communities, the available evidence on the effects of inequality is restricted by the absence of any proper benchmark of real equality. Czechoslovakia during the high period of communism (1956--1968) recorded the lowest degree of income differentiation, of around 1:3, with the Scandinavian countries achieving ratios of 1:5 or 6 in their heyday. Czechoslovakia had registered in 1948 the highest electoral support ever achieved by a Communist party in Europe, while Scandinavia pioneered social partnership and the welfare state in responding to the Great Depression of the early 1930s: in both cases, we can infer a high level of commitment to social solidarity.. In addition, although there is certainly scope for oppression and inequality in family businesses or cooperatives, the available evidence suggests that they function most effectively on the basis of relative quality and mutual respect.

A key problem is the extent to which rewards are believed to be differentiated with some degree of fairness according to the type of job. Surveys have often suggested that people want jobs that are dirty and dangerous, or that require very high levels of attention or affect, to be more highly rewarded; yet such rankings typically contradict the other two main arguments about pay relativity in capitalist societies. These are first that pay over a career should reflect the relative cost of acquiring the necessary skills (or in modern parlance, ‘investment in human capital’), and secondly, that pay should (like the price of commodities in general) reflect the ‘scarcity value’ of the workers in question. High-paying professions often conveniently combine these two arguments, while many of the jobs that are highly ranked because of the needs that they meet are nevertheless badly-paid because they rank low on the other criteria (for example nurses). Further confusion arises from the intentional substitution of ‘equality of opportunity’ as a goal, in preference to substantive equality. But

this substitution entails a retreat from the pursuit of equality through redistribution, as well as the demotivation of those who lose in the competitive struggle for inclusion in the elite.

However, debate on the relative rewards for different jobs typically takes as given the way in which society's labour is divided into specific individual jobs. The division of labour, first systematically studied in relation to capitalism more than 200 years ago by Adam Smith, is not pre-ordained but socially constructed. There are three interwoven elements that shape this division of labour. First, there is the *social division of labour* into particular sectors on the basis of what they produce: this is represented in official UK statistics by the SIC (Standard Industrial Classification). Second, there is the *detailed or technical division of labour* within the workplace (for example Smith's famous pin factory case study): this entails the division of the overall production process into specific tasks. While these two strands constitute what mainstream economics calls the demand for labour, the third one is the *occupational* classification, in essence a subjective self-classification by would-be employees based on formal qualifications, experience, or simply inclination. Despite the evident complexity, modern industrial societies have increasingly similar divisions of labour; this reflects an increasing global homogenisation of production technologies and consumer tastes, driven in large measure by the rise of transnational corporations and standardised structures of state regulation and delivery.

But as such, this standard model has deeper origins in the social relations of production. The workplace division of labour owes more to the exigencies of employer control than any imperatives arising from specific production technologies. Occupational differentiation reflects the long-term processes in which those who must sell their labour shape what they offer to the available demand. In short, what we face as workers is a set of occupational choices established by a capitalist labour market, to which people have necessarily adapted down the generations.

In an FAP there is no reason why we should simply accept this. As utopian writers have often suggested, doing the same set of tasks year after year eventually offers little in the way of challenge; as Marx put it, "... constant labour of one uniform kind disturbs the intensity and flow of a man's animal spirits, which find recreation and delight in mere change of activity" (Marx 1867/1965: 341). The idea of sharing especially disagreeable but necessary tasks among everyone is evident in utopian fiction, for example Huxley (1962) and LeGuin (1974). In recent years the concept of a portfolio career -- either simultaneously or sequentially undertaking different types of work -- has been much touted, usually among those with the resources and security to risk such a radical departure from the norm. But the most important dimension of the capitalist division of labour that the FAP can dissolve is the *vertical* division of labour, between labour of conception and control and labour of execution, or more generally between manual and mental labour. This directly confronts what some analysts of industrial societies (both capitalist and Soviet-communist) have identified as a new ruling class, namely those who have expert knowledge, which leads to our final issue.

d) education is based upon ensuring that all are capable of participating in useful labour and in its direction.

The critical literature on education is enormous, but a key common thread is the idea that it has been organised in capitalism, whether by private interests or by the state, primarily to make people employable by equipping them with the skills needed to find a role in the spectrum of jobs offered under the capitalist division of labour. Against this stands the progressive ideal of education as emancipation: the provision of knowledge and values for understanding the world and participating fully in society.

At this point in the evolution of neoliberal capitalism in Britain, for example, workers have been subjected to a particularly pure version of the employability objective, enforced through the techniques of new public management and the twin mantras of choice and equality of opportunity. The array of opportunities is taken as given by the existing offers of employment, generated under competitive market conditions; thus schooling in practice sorts out children by age 16 or 18 into a hierarchy of given skills and capabilities, which largely determines their future life chances in terms of income and social standing.

In this system, the current view that work is bad (see (b) above) means that teachers are incentivised through punishments and rewards based upon their success in raising the level of the job hierarchy which their pupils are able to reach. Teachers at every level therefore, from pre-school to university, compete for the brightest entrants because they are more likely to reach higher levels, with the teachers' success then evaluated through league tables of achievement (supposedly adjusted to allow for pupil background). Head teachers become chief executives driving forward the struggle for competitive advantage in the educational marketplace.

An FAP could instead transform education away from this relentless competition for access to privilege, towards the principle of equipping everyone to participate in society on an equal footing. Instead of particular schools, teachers and individual pupils being rewarded with income and status for their competitive success, their purpose would be to provide all pupils with the skills and capabilities that enabled them to undertake tasks across a *vertical* spectrum, from the execution of necessary routine physical and mental work, to the supposedly higher tasks of agreeing goals, designing production and organising social labour. Resources would be allocated for this purpose on the basis of continual evaluation of needs across individuals and communities, undertaken by those communities with appropriate transfers during the transition period.

Education for equality would have profound consequences for social cohesion and inclusion. Imagine a world in which everyone knew they were able to participate fully in deciding social objectives, and shaping the political processes through which they are achieved. This would be, in terms of recent political slogans in Britain, both a 'big' and a 'good' society.

3. Making connexions to the present: the relevance of Marx's *Capital*

For many socialists, the works of Karl Marx and Friedrich Engels remain an important source of ideas. In the *Communist Manifesto* of 1848, they strongly criticised the utopian socialists of the early nineteenth century, and it became conventional to see this as a rejection of any form of utopian thinking. But their criticism was really that the utopian socialists did not ground their visions in the social transformations taking place as industrial capitalism developed. Geoghegan (1987) argues that there are many ideas about a possible socialism in the writings of Marx and Engels, and on through the Marxist tradition as a whole. Returning to the quotation at the start of section 2, the remainder of *Capital vol. I* is focused on analysing capitalism, but I think that it is also possible to infer from it a more detailed agenda for socialism.

Part I of *Capital I* presents a world in which production is predominantly regulated by the market, that is the exchange of commodities and the circulation of money. By analysing in depth the concept of value, Marx suggests that a fundamental tension exists between value in use and value in exchange, which underlies the mysterious role of money, the ubiquitous alienation of the producer from the product and the phenomenon of commodity fetishism. The alternative suggested by Marx's utopian snapshot is one of collective planning of

production through the agreed allocation of resources. Value in use and value in exchange are thereby reconciled in purposive action aimed at meeting social needs; but this raises the obvious question of how in practice that purposive action is to be undertaken.

In Part II, he draws out the concept of capital as a social relation, based upon the separation of workers from the means of production, and shows how capital can extract and accumulate surplus-value behind the appearance of a free and equal exchange of labour-power for wages. Without this social relation, an FAP has to decide how resources are to be distributed, and what connection made, if any, between the distribution of productive labour and the allocation of the resulting products for consumption.

Part III then examines the capitalist labour process, showing how the capital advanced to finance production is divided between material inputs, whose value is transferred to the product, and labour-power, which creates additional (surplus) value, as long as its duration is extended beyond the time required to produce the commodities required for the worker's sustenance. Marx thereby identifies the length of the working day as a key terrain of social conflict under capitalism, and one which, contrary to the classical claim that economic life is regulated by an invisible hand, can only be resolved by the very visible hand of the state. The inference for the FAP is that its members would have to reach agreement on the duration of working time, and the distribution of that time between meeting their consumption needs, and building up the material means of production.

In Part IV Marx argues that capitalism can overcome the physical limits that the length of the working day places upon exploitation, by transforming the material and social organisation of production. In the evolution from simple cooperation to manufacture to modern industry, workers are stripped of the skills and capacities that characterise artisanal production, subjected to a more and more detailed division of labour within the workplace, and finally transformed tendentially into a "mere appendage" of the machine system in modern industry. Once again, the struggles over these transformations of production entail the continuous intervention of the state, not only in relation to the consequences within production (deriving from the owners' exercise of property rights, and the conflict between those rights and the moral and material condition of workers) but also in the spheres of education, health and culture. In an FAP, technological advances that reduce the amount of labour needed to produce goods and services will unequivocally benefit the associated producers, who can decide how to make use of the labour time that they have saved.

Parts V to VII return from the sphere of production to the visible sphere of exchange and accumulation, or in modern mainstream parlance, the macroeconomic functioning of capitalism. Marx analyses in Part V the interrelations between 'absolute' surplus-value, arising from the extension of the working-day beyond that needed simply to reproduce the capacity for work, and 'relative' surplus-value, arising from the transformations of productive technique that reduce the time needed for this purpose. In Part VI he examines a topic dear to the heart of all workers, namely the level of wages and the forms that wages take. In Part VII, he turns to the accumulation of capital: its source in the expropriation of surplus labour, its normal processes of simple and expanded reproduction, its relation to population growth, and above all the potential for interruption, breakdown and economic crisis.

Throughout these sections, Marx continues to point out the ever-present role of the state in ensuring the conditions of reproduction and accumulation, as well as popular struggles of resistance and political contestation. For example, he explains how the living standard of workers depends not only on money wages, but on the prices of the goods they buy; how political economists justify the wealth of capitalists by claiming that it is their natural reward for investing, while blaming poverty on the profligacy of the poor; and how accumulation raises the productivity of labour, but also creates a reserve army of unemployed workers. While an FAP would no longer reproduce an ever-deepening division between

propertied capitalists and propertyless workers, many of the issues discussed in these chapters would recur in the form of complex decisions facing the collective producers.

Finally, Part VIII of *Capital I* forms an epilogue that, unusually, is in chronological terms a prologue: the historical origins of the capitalist social order. These eight short chapters set out the agenda for generations of subsequent historical scholarship on what is usually termed the transition from feudalism to capitalism, and also what Marx defined as the historical tendency of capitalist accumulation and the modern theory of colonisation. As such, they constitute for a would-be FAP a sort of cautionary tale: one of social struggles over centuries and continents, that in fits and starts and through many unpredictable contingencies leads to the emergence of a social order that, while deeply divided and crisis-ridden, nevertheless generates remarkable advances in humanity's potentialities. For all the certainty that Marx expresses in his famous depiction in chapter 32 of the growing revolt of the working-class, the transformation of capitalism into socialism is no historical necessity; rather, the possibility of socialism gives purpose and meaning to our struggles for a better way.

4. Conclusions

It is important to restore a utopian component to contemporary socialist thinking. In section 2, I explored discursively some of the issues that typically arise in attempts to elaborate the model of a free association of producers. In section 3, I rejected the widely-held view that Marxism's founders set aside utopianism in 1848 as part of a general break with the humanism of their youth. I argued instead that the analysis that they developed in the years after 1848, with of course all its own faults and fancies, does nevertheless display the contours of a new society in a way that should be seen as reshaping utopian socialism in response to actual historical developments. The lesson that may be drawn is that the effective development of a socialist society depends on recognising the seeds of material interdependence, creativity and self-government hidden within the private and public institutions that currently mediate human encounters. If *Capital Vol. I* remains the most compelling general account of how capitalism works, then it may help in providing an analytical framework within which a strategy of change can be shaped.

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