



COMMUNIST REVIEW

- **Hans Heinz Holz**
Stalin's Philosophical and Political Testament
- **Gregor Gall**
For Workplace Democracy in a Socialised Economy
- **Peter Latham**
Orthodox and Marxist Theories of the State, Part I
- **Discussion**
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Who Needs Philosophy?



I'M
WORKING
ON IT!



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by Martin Levy, Mary Davis
and Erwin Marquit

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The Death of Socrates by Jacques-Louis David (1787). The painting depicts the philosopher Socrates about to take poison hemlock.



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SAVE OUR
Schools
NO TO
Academy



editorial

By Martin Levy

Who Needs Philosophy? The world financial system is in turmoil, workers are losing jobs in their thousands, the war in Afghanistan is intensifying, the plight of the Palestinian people has become even more desperate, the polar ice-caps are melting ... and CR chooses this moment to focus on philosophy! What is going on? Have we got our priorities right?

There is a precedent – and a creditable one at that. In September 1914, just after the outbreak of the First World War, no less a person than Lenin took up the study of philosophy. His notes on Hegel's *Science of Logic* and *Lectures on the History of Philosophy*, posthumously published as part of his *Philosophical Notebooks*, represent his attempt, at a critical moment in history, to reassure himself of the philosophical foundation of his own theory and practice.

That foundation – dialectical and historical materialism – explains the source of development as the contradiction between opposites. The First World War, therefore, did not originate out of the wilfulness of different rulers (idealism), but rather because of the basic materialist contradiction between the capitalist classes of the imperialist powers, each of which was locked in a contradiction with its own working class. This analysis helped Lenin and the Bolsheviks not only to rally opposition to the opportunism of the Second International, whose parties supported the War, but to identify Russia as the

weakest link in the imperialist chain, and to develop a successful strategy to break that link.

We face a stage in history that is no less profound. The contradiction between the social nature of production and the private expropriation of surplus value has sharpened to the point that capitalism has entered a period of unprecedented crisis. Furthermore, the conjunction of the economic, social, military and environmental crises of capitalism means that, objectively, the issue of replacement of this moribund form of society is on the order of the day.

Subjectively, however, the conditions

for such a revolutionary transformation have to be created. That, as Fidel Castro has remarked in *My Life*, was the issue for Cuba in 1953, when the 26th July Movement was launched; and it is the issue for us today even if the tactics and strategy will be different. But one point is critical: any Marxist party seeking to create those subjective conditions must have a clear understanding of its own basic principles, defend them against all bourgeois attempts to undermine them, and popularise them to a much wider audience. It was therefore fitting that the first plenary session at last October's Communist University of



Britain was devoted to the question of Marxist philosophy. The three speakers' contributions are reproduced here.

In the first article, the present author argues that the popular fatalism so prevalent today can be turned round, but only by facing up to the challenges posed by the likes of Fukuyama and the postmodernists – the latter in fact posing a challenge to all progress. It is essential, he says, to defend the materialist basis of dialectics – the unity of the opposites, interconnectedness of everything, development through contradiction, and so on – in order to ground Marxism as both an analytical tool and a guide to action. Postmodernism claims that “grand narratives” – such as Marxism – do not work, and this view has taken an insidious hold in society. But there are still many single issues which move people to struggle – jobs, wages and conditions, peace, equality, human rights issues, the environmental crisis. All these are at root class issues, and can only be resolved in the final analysis by the revolutionary transformation of society, by socialism.

Both Mary Davis and Erwin Marquit caution against historical determinism. As Mary says: while postmodernists have got it wrong in proposing the “idea” as the main motor of history, it is nonetheless “undialectical to talk about laws by which human society develops.” While social being determines social consciousness, and the era of social revolution begins when “productive forces in society come into conflict with the existing relations of production”, development is not automatic. There is no simple connection between the economic base and the political/organisational superstructure. Change has to be fought for.

Historical determinism, as Erwin Marquit points out, was the basic flaw of Bernstein and Kautsky, the pre-First World War leaders of German social democracy, whose approach led to the abandonment of an ideological struggle for socialism. But the focus of Erwin's argument is much more on the application of philosophy to problems within natural science itself, and on the necessity of a philosophy of the natural



sciences because of the interconnection with societal development. The absence of this wider view is, he argues, the basic reason why many scientific and technological advances, when introduced into the economy, have subsequently endangered human life.

The philosophical theme continues in two other contributions. In the first part of an extended article, Peter Latham focuses on theories of the state and local government, drawing attention to the distinction between appearance and reality, to the importance of applying dialectics to analysing changes in local government, and to class conflict as the motive force for those changes. Meanwhile Hans Heinz Holz reappraises Stalin's last writings, on *Marxism and Problems of Linguistics and Economic Problems of Socialism in the USSR*. Like Mary Davis, he highlights the issue of social being and social consciousness, or rather, base and superstructure. He draws attention to Stalin's remarks that the base/superstructure relationship is not unidirectional, but dialectical; and that language furthermore is a productive force which is not base, superstructure or for that matter any intermediate phenomenon. This is a further warning against mechanical approaches.

However, as Marx said in his *Theses on Feuerbach*, "The philosophers have only interpreted the world in various ways; the point is to change it." The objective of Peter Latham's 3-part article is to provide an analysis of bourgeois and social democratic theories of the local state, in order to be able to combat them and to defend working class gains – a crucial issue for all the public services. But what about the private sector? Gregor Gall points out in his article in this issue that enormous sums of public money are being thrown at the financial system without any stringent conditions in return. This remains the case despite the recent jamboree of the G20 summit. Gregor's main point is that trade unions should be demanding much more than "no redundancies" – in particular, they should be insisting on measures of workplace democracy when public money is invested.

The demand for worker directors has to be advanced, he says, as a transitional means to raising worker consciousness and realising further and greater workers' control.

It is always risky to predict the future. In his article, written a few months ago (as is normal in terms of our production schedule), Gregor remarks that "we will not see in Britain anytime soon the kinds of factory occupation and takeover that have been witnessed in a number of Latin American countries in the last decade." Until very recently, who would have disagreed? But at the time of this editorial, that is precisely what is happening at the Visteon factories in Belfast and Enfield. It may, like the industrial action around social dumping at the Lindsey oil refinery, only involve small numbers of workers but the potential impact of both is enormous as they have raised the issues of autonomous collective action and of widespread solidarity – in short, of turning narrow trade union consciousness into educated class consciousness.

It is one thing to have consciousness, however, and another to be able to make change in society. Clarity is needed on the left and in the labour movement about the real direction of capitalist strategy and the need for a comprehensive working class challenge. The Communist Party of Britain has a programme for revolution, *Britain's Road to Socialism*, but – as noted above – the subjective conditions for such a social transformation need to be created. Two recent and ongoing labour movement initiatives do have the potential to start us down that path.

The *No2EU-Yes to Democracy* platform for the European Parliamentary elections marks a significant step forward in placing the real class character of the European Union in front of the British people. Based on the RMT, Trade Unions Against the EU Constitution, the Campaign Against Euro-Federalism, the CPB, Socialist Party and others, *No2EU* believes that "the time is right to offer the peoples of Britain an alternative view of Europe." Full details of its

policies can be found at <http://no2eu.com/>, but they include rejecting the Lisbon Treaty, opposing EU directives that privatise our public services, repealing anti-trade union rulings of the European Court of Justice, and opposing racism and fascism. At a time when the ultra-right British National Party stands to make gains out of disaffection among working class voters, it is important that there is a clear left-wing alternative to the pro-EU policies of the mainstream parties. But the issue goes much deeper than that, as adherence to the EU is central to New Labour thinking. Success in building up a mass movement in opposition to the Lisbon Treaty would then open doors to mobilising around an alternative economic and political strategy.

Such an alternative strategy has been articulated in the *Left-Wing Programme (LWP)* drawn up by the Communist Party. *The People's Charter for Change*, launched in February of this year, has many basic points in common with the *LWP*, but has a much broader base in that it has been adopted by a number of leading figures in the labour and progressive movements. Its full text is online at <http://www.thepeoplescharter.com/> but the main campaigning points are: a fair economy for a fairer Britain; more and better jobs; decent homes for all; save and improve our services; for fairness and justice; a better future starts now. More long-term than the *No2EU* campaign, *the People's Charter* aims to collect 1 million signatures through workplaces, trade union branches and communities. All on the left can engage in this. It is not a socialist programme, but it does start to open the door, by shifting the nature of the debate in society,

ON THE NATURE OF SOCIALISM

In *CR52* we printed two other articles by Hans Heinz Holz: *The Revisionist Turning Point*, an analysis of the processes leading to the demise of Soviet socialism; and *The Embodiment of Contradictions*, a dialectical analysis of Stalin's period in office. In his article in the current issue of this journal,



Hans Heinz seeks to demonstrate that Stalin's last writings were not only about philosophy, or the esoterics of linguistics and economics, but more importantly about giving the starting signal for dismantling "consolidated personal and organisational structures" – a process later called *destalinisation* (!) – and about "formulating a plan for the practical matter of building socialism." Hans Heinz argues for "a differentiated analysis of history, rather than the one which describes everything in black and white, ie with rigid oppositions."

There are some parallels here with the *Theses on Socialism* issued by the recent 18th Congress of the Communist Party of Greece (KKE). As Robert Griffiths reported in the *Morning Star* on March 23, the *Theses* analyse the development of Soviet society both before and after the 20th Congress of the CPSU in 1956, in order to draw conclusions about the policies and leadership needed to defend and advance socialism. There are claims made in the *Theses* with which not everyone will agree – in particular a tendency not to admit any criticism of Soviet society pre-1953 – but they do demand careful study. They can be found in full at <http://inter.kke.gr/News/2008news/2008-12-thesis-socialism>.

Every country must make its own way to socialism. But, as the KKE points out, the subjective factor is decisive "in the dominance,

development and supremacy of the new social relations." The KKE states unequivocally that the widespread use of market mechanisms under socialism is not only theoretically alien but also weakens the socialist character of society. Similar points were made by Che Guevara in the early days of the Cuban Revolution and have been repeated many times since then by Fidel Castro. In this 50th Anniversary year of the Revolution, it is worth remembering Fidel's statement to the 4th Congress of the Union of Young Communists in 1982 that "in the development of communist society wealth and the material base must grow hand in hand with consciousness, because it can even happen that as wealth increases consciousness diminishes". Cuba could not have survived the attacks and blockade of US imperialism if it had not been for the maintenance of that revolutionary consciousness.

STYLE AND CONTENT

The acute reader will notice that the layout of this journal has changed. Our volunteer design team of Michal Bończa and Birgitha Bates have

expressed the wish to step down after serving the journal for 5 years. That is a long period, in any case, but it is fair to say that during that time the journal has grown in content and frequency (a measure of success), making the design and layout much more complex and time-consuming than originally anticipated. We entirely understand Michal's and Birgitha's situation and we express our deep appreciation for all their dedication, creativity and hard work.

While the style may change, however, the content will not be diluted. Our contributors will continue to be educative and stimulating – with the intention of provoking discussion. Already, in this issue, we print a rejoinder from David Grove to aspects of Jerry Jones's article in CR52. Let this set a general trend. Clarity is only achieved by discussion.

Meanwhile, work is in hand to establish *Communist Review* on the world-wide web. Step by step, we intend to upload articles from past issues, to provide a complete archive. Check the Communist Party of Britain's web site, www.communist-party.org.uk, for any links. ■

■ *Communist Review* welcomes submission of articles (normally up to 5000 words), discussion contributions and letters – send to office@communist-party.org.uk. Articles will be reviewed by members of the Editorial Board and/or Advisory Board, and we reserve the right not to publish.

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Who needs
Philosophy?



By Martin Levy

Being Philosophical

*Where is the world going?
What's the point of life?
Why are we here?*

Big philosophical questions like these have been asked since the dawn of the Age of Enlightenment in the eighteenth century. They have achieved a new intensity in the modern day, with the threat of nuclear annihilation, the unleashing of wars, the destruction of the environment, the spread of the global market, the dismantling of the welfare state, and – last but not least – the current economic crisis.

There was a period when, for the left, it seemed clear that there was a positive vista of human liberation and progress opening up. The Russian, Chinese and Cuban Revolutions had been successful, fascism had been

crushed militarily – largely due to the sacrifices of the Soviet people – colonies were gaining their freedom and US imperialism was defeated by one of the smaller nations in the world, the Vietnamese.

The nineteenth-century German philosopher Georg Wilhelm Friedrich Hegel called history a slaughter-bench.¹ He considered that the Absolute Spirit (God) externalised himself into nature and history. By what Hegel called “the cunning of reason”, people who are motivated irrationally by their passions and interests, along with individuals like Caesar and Napoleon, cause terrific bloodshed in contributing to bringing about

the end of history – a state of universal freedom.

Now, 20 years after the collapse of socialism in Eastern Europe and the USSR, there is a loss of hope in the future, a marginalisation of the left, and a resurgent (though not ubiquitous) imperialism, apparently demonstrating the slaughterhouse aspect of history, through the wars over Afghanistan and Iraq.

Marxists, and certainly the majority of believers in any religious faith, would disagree with Hegel’s claim that historical forces are directed by a supreme being. But there can still be a popular fatalism that things are as they are, there is nothing you can do about them.

Such fatalism does not just originate internally in every human being – ideas like this are part of the intellectual milieu in which we live, a milieu which is determined by

the relations of economic power in society. It reflects – but only in part – a lack of understanding of the way in which the world works.

In his *Prison Notebooks*, the Italian communist Antonio Gramsci pointed out that “all men are ‘philosophers’”, possessing a “spontaneous philosophy” contained in language, “common sense” and “good sense”, and in “popular religion and therefore also the entire system of beliefs, superstitions, opinions, ways of seeing things and acting.”² Hence, he said, fatalism, expressed as

“‘being philosophical about it’ ... is not to be entirely rejected as a phrase. It is true that it contains an invitation to resignation and patience, but it seems to me that the most important point is rather the invitation to



people to reflect and realise fully that whatever happens is basically rational and must be confronted as such, and that one should apply one's power of rational concentration and not let oneself be carried away by instinctive and violent impulses."³

The present crisis presents Marxists with a tremendous opportunity to turn that fatalism round – *ie* to convince the mass of working people that there is an alternative to capitalism and that it is achievable. However, to do that we shall have to confront bourgeois ideas which threaten not only Marxism but all coherent philosophies and the very idea of human progress.

The Attack on the Enlightenment

The Enlightenment project, which coincided with the rise of capitalism, was based on the idea that people can understand nature, and gain mastery over it. As Kant said in his famous essay⁴:

"Enlightenment is man's emergence from his self-incurred immaturity. Immaturity is the inability to use one's own understanding without the guidance of another. This immaturity is self-incurred if its cause is not lack of understanding, but lack of resolution and courage to use it without the guidance of another. The motto of enlightenment is therefore: *Sapere aude!* Have courage to use your own understanding!"

In the present day, that project is under attack from a number of sources, some even claiming to be of the left.

Among these are claims of an "end of history"⁵ (like Hegel), an "end of science",⁶ an "end of ideology"⁷ and an "end of 'isms'"⁸. There is a degree to which these ideas simply reflect the context in which they were generated – the end to the last century. But in some cases at least, their origin in capitalist society is rather older.

Proponents of an end to ideology suggest that, with the collapse of Soviet and Eastern European socialism, there has been a decline of ideological struggles and a process of universal acceptance of Western values. Such arguments originated nearly 50 years ago with Daniel Bell⁷ and Seymour Martin Lipset,⁹ who claimed that developments in Western societies, particularly the USA, indicated that "fundamental political problems" had been solved, with a form of pragmatic liberal capitalism triumphing.¹⁰ Essentially their argument was that capitalism and socialism were converging, a position which sustained social democracy and even conservatism in the mid-to-late twentieth century.

Economic circumstances have now changed, undermining the basis for social democracy, but the argument of an end to ideology has continued to be popularised. In reality what it means is the triumph of capitalist ideology – though it is our role to ensure that it is only temporary.

The End of History?

A more explicit statement of that ideological triumph was given by Francis Fukuyama in his work *The End of History and the Last Man*.⁵ Without stating it, Fukuyama appeared to draw inspiration from neo-liberal prophet Frederick von Hayek, who argued in the 1940s that both socialism and fascism represented totalitarian systems that denied individual liberty, because they sought to plan centrally.¹¹ Not only did they dislocate the market, but their

concentration of resources in the hands of the state led to a monopoly of power and to dictatorial control. For Hayek and for Fukuyama too, capitalism is founded upon individual freedom, with a minimal role for the state, no privileges in the market and with the individual having the right to choose according to their own values.

As John Foster has pointed out,¹¹ the flaws in Hayek's arguments are pretty deep. In the current crisis, capitalism clearly needs state intervention! In fact, Hayek's model of liberal capitalism has never existed, since those who have greater wealth will always dominate the market. Likewise, his freedom remains abstract – freedom from hunger or disease is excluded – except that the right to capitalist private property remains absolute.

Fukuyama draws on a reading of Hegel's works *The Philosophy of Right*¹² and *The Phenomenology of Mind*¹³ to explain why, according to him, capitalism gives rise to "democracy". Man, he says, differs from animals because he wants to be "recognised" as a human being, with a certain worth or dignity, and is willing to risk his life to this end. In Hegel's terms this desire to be recognised drove two primordial combatants to seek to make the other "recognise" their humanness by staking their lives in a mortal battle. When the natural fear of death led one combatant to submit, the relationship of master and slave was born – and hence classes.

Hegel – and thus Fukuyama – regarded the desire for recognition as the motor of history. The master was not recognised by other masters, but by slaves whose humanity was incomplete. Dissatisfaction with this constituted a contradiction that engendered further stages of history. It was overcome by the French Revolution, which granted

universal and reciprocal recognition. The spread of the political corollary of that – liberal democracy – throughout the world meant effectively the end of history.

However, Fukuyama suggests that there are dangers in making mutual recognition completely satisfying. He quotes the reactionary nineteenth century German philosopher Friedrich Nietzsche to the effect that the typical citizen of a modern democracy was a "last man" who gave up prideful belief in his own superior worth in favour of comfortable self-preservation.¹⁴ "The last man had no desire to be recognised as greater than others, and without such desire no excellence or achievement was possible."¹⁵ Fukuyama therefore champions the opportunities for entrepreneurship – and thus exploitation – in the USA. He argues that the motive is neither consumption nor money, but status and reputation.

Marxists readily accept that people have individual strengths and weaknesses and that emotions and attitudes can play a role in society when they are taken up by numbers of people. Wealth does not just buy material goods – but also privilege and adulation. But to suggest that the struggle for recognition is the motor of history is a patent absurdity. It is pure idealism because it ignores the material base.

Recognition in primitive societies was worth nothing unless it conferred certain material advantages as well. Even in the modern day, very few leading sportsmen and women, or politicians, are involved simply for the kudos. The fact that material benefits are to be gained demonstrates that society is already producing a surplus. It is that which allows some people to be rewarded more

than others and ultimately an elite – a ruling class – to live off the labour of the majority. The master-servant relationship is reinforced through ideology and, as Engels said, through a “public authority” consisting of “armed men, but also material adjuncts, prisons and institutions of coercion of all kinds”¹⁶ – all of which are sustained through the extraction of the surplus. It is the contradiction between the producers and consumers of this surplus which drives history forward.

The Threat from Postmodernism

While Fukuyama’s ideas have generally not been treated seriously in academic circles, they have maintained a certain momentum because of their usefulness to the ruling class today. Another attack on Marxism (and all coherent philosophies) – more insidious since many of the originators claimed to be of the left – has been posed by the ragbag of philosophical approaches known as *postmodernism*.¹⁷

Three broad features underpin these theories: firstly, the claim that nature no

longer exists, only “culture”¹⁸ – an approach seen most clearly in an attack on the validity of science; secondly, a scepticism about the ability of society to secure human rights and provide scope for freedom – *ie* there is no single dominating oppression or site of power (the state) but a diffuse ever-expanding network of control measures (hospitals, mental homes, prisons etc) bringing social control, making the dream of freedom an illusion;¹⁹ and thirdly, the impossibility of shaping either the present or future in any grand fashion – power is inescapable and politics can only seek to channel it and use it constructively.²⁰

If New Labour has any ideology, then this is it: everyone in society has different personalised interests, so “grand narratives”,²¹ as François Lyotard called Marxism and other coherent philosophies, do not work, and the best that can be done is to make use of power in order to make things function better. The resurgent Tories might take an approach more in line with Fukuyama, but the convergence between the two lines is striking: in both cases history is at an end, and hence there is no more point to ideology, to “isms”, and to campaigning and organising for a fundamental change in society. This is an ideology itself which clearly serves the interests of the ruling class.

However, in some ways postmodernism is even more dangerous than Fukuyama because implicit in it is an attack on the whole Enlightenment project, *ie* the idea that humanity is capable of endless development, through increasing its powers over nature. The attack on science here is most important, and not just because – as the Indian Marxist T Jayaraman has pointed out²² – it has “often been presented with a radical veneer,” and “sought to be likened to a version of Marxism

which is less ‘materialist’ and more ‘dialectical’ in nature”: in postmodernism all materialist positions are equated to “positivism” (a position which argues that only phenomena are important) or “bourgeois science”, and science is therefore regarded as mostly ideology.

Most scientists are not dialectical materialists, but simply realists, and they would not give such arguments the time of day. After all, science proves itself continually in its application as technology, and scientific theories are being continually tested by new discoveries. Those who engage in scientific ideology – *ie* fraudulent results – are soon found out. Yet the danger in the postmodernist arguments is that they reinforce existing anti-science trends in society, in many ways reflecting the pessimism of capitalism in its degenerate imperialist stage.²³

Instead of the idea of human progress through science, which accompanied the capitalist expansion after the Second World War, there is now a scepticism about the value of pure science, leading to increasing emphasis on applied research in just a few key areas. There is a public mood of anxiety about the future, and there are politicians and others who are only too willing to blame science for modern problems (nuclear power, the environmental crisis etc) or to dismiss scientific evidence because it does not suit them (*eg* “It’s only an opinion/theory” applied to global warming, evolution or abortion rights).

The Marxist Approach

Marxists have never denied that scientific progress has a social context, with new concepts being influenced by the society in which they are developed, and in turn having an influence on society. The Aristotelian view of the Earth as the centre of the universe was used to justify

social relations in feudal society; while the Newtonian view, which placed the sun at the centre, nonetheless provided a stability which was incorporated by capitalist society. The creative British Marxist Christopher Caudwell pointed out that the capitalist sees nature as a mechanism, just like the machine he owns, and so the philosophy of science in the bourgeois era is dominated by mechanical materialism.²⁴ It was no accident that the breakdown of the old certainties, under the impact of nineteenth century scientific discoveries, caused a crisis in physics, because they could not be rationalised in terms of the old mechanistic model. A complete philosophical break was needed: as Lenin had said a quarter of a century before Caudwell, “Modern physics is in travail: it is giving birth to dialectical materialism.”²⁵

It is worth devoting some space here to defend dialectical materialism, since this is where postmodernists made their most significant attack. They were not the first on the left to try to separate Marx from Engels and Lenin, and to argue that dialectics was a human construct, only useful for analysing developments in society. That was essentially the position taken by Gyorgy Lukács in 1923, in his *History and Class Consciousness*,²⁶ a theme later taken up by the Frankfurt School of Western academic Marxism. However, postmodernism made a theoretical virtue out of the failure of “grand narratives”, that no single embracing philosophy was universally applicable. Undermine Marxism’s role as such a philosophy, and you undermine its basis as a critique of society. Hence the attack on science.

Materialism means a standpoint that the natural world is real and primary, and that we get to learn about it through our sensations, as a result of *active* engagement with it. Our knowledge is



Francis Fukuyama





François Lyotard

therefore always partial, an approximation to the truth: our ability to find out more about the world around us will always be limited by the level of our technology, and by the questions which we ask, which in turn depend on our level of knowledge and understanding.

In *The Crisis in Physics* Christopher Caudwell gave one of the most brilliant expositions of this Marxist theory of knowledge and at the same time of the understanding of cause and effect in science:

“Suppose a wind ripples the surface of a pool. Then we say that the wind is the ‘cause’

Christopher Caudwell



of the ripples. For a change has taken place; a novelty has emerged which is a relation between pool and wind. ... What right have we to [make such a claim]? We can only do so as a result of practice. If for example we make ripples on the pool with a stick, and produce an effect, and feel the wind on our cheek, and sustain pressure, and then press ourselves with a stick, we imagine the wind acting in our place as a cause upon the surface of the pool as object. ...

“[O]ur whole field of perception is made up of *practice* or the results of *practice* ... If ... we see a pool lying in a crevice, we only do so because we have in the past causally explored the surfaces of object, water, and the interior of crevices. Thus we build up the qualities in the field of perception by memories of causal relations in outer reality. Most of a baby’s early life is spent in building up the field of consciousness in this way. Hence all the products of the seen world are products of causal relations with the object ...”²⁷

This exposition also demonstrates one key aspect of dialectics as a feature of the real material world: everything in the universe is interconnected. Wind and pool, pool and crevice – they act upon each other. We ourselves are connected to the universe: we cannot find out about it without acting on it, and changing it, but in the course of that we are acted upon and changed ourselves.

A second dialectical feature of the real world is that

everything is in the process of change. Caudwell’s wind, pool, ripples and crevice represent a snapshot in time – they will grow or disappear over different periods, and those changes are related to the interconnectedness of everything.

A third feature is that movement and change occur through the development of contradictions, sometimes called the clash of opposites. Wind and pool may be regarded as such opposites, since the motion of one leads to the formation of ripples in the other. This sort of development is what dialecticians call *negation*.

Fourthly, in such struggle, opposing forces have an impact on each other – the interpenetration of opposites. Air dissolves in water, and water evaporates into the air. The end process of wind acting on water is moisture-laden air, which can lead to mist, rain-clouds and even a hurricane – something quite new. This illustrates a fifth aspect of dialectics, that changes of quantity will at some time produce a fundamental change in quality.

The final aspect of dialectics in the material world is one which has boggled quite a few minds: *the negation of the negation*. But actually it is quite straightforward. Every major development (*negation*) can in fact be *negated* itself by another development which includes some aspect of the originally negated process or phenomenon. Evaporation of water into the air is negated when the resulting clouds produce rain (negating the clouds), leading again to the formation of pools. But this is relatively trivial. A much more critical type of negation is one which corresponds to development at a higher level (or in a particular way) – what Hegel called the *determinate negation*.²⁸ Hurricanes could be regarded as the determinate negation of simple winds and storms because they have a

more highly organised structure. But the realm of biology provides many more obvious examples of determinate negation because development is much clearer: the seed is the determinate negation of the flower, and the new plant to which it gives rise is the determinate negation of the seed. In physics electrons and protons, which are oppositely charged, can negate each other if they are given enough energy to collide; but, if they are brought together at lower energy then they combine to form atoms – the determinate negation.

Nature is materialist and dialectical, and the human species has arisen out of it in a process of dialectical development. We are a part of nature, we depend on it, and thus the development of human society must follow those same dialectical materialist principles. It was the brilliance of Marx and Engels to discover that, and to reveal the internal and external contradictions – between classes in society and between society and nature – which have driven, and still drive, human development forward. For Hegel, who first applied dialectics to human society, the idea was primary and the real world only a copy of the idea. His dialectics was, in Marx’s words, standing on its head; it had to be turned the right way up, to be given a materialist base.²⁹

Those “Big Questions”

So why *are* we here? Individually, we are all here by accident. In scientific terms, we are here as a result of an evolutionary process which occurred through “natural selection”, as Darwin explained 150 years ago in *On the Origin of Species*. In dialectical materialist terms, that process involved repeated *determinate negations*. But, as the Romans said: a single person is no person³⁰ – *ie* as isolated individuals, we are not human. Humanity implies society, and it is only in those

terms that we can understand the real point of life and where the world is going.

“The history of all hitherto existing society is the history of class struggles.” This opening sentence from the *Manifesto of the Communist Party* remains as valid today as when it was written in 1848. “Freeman and slave, patrician and plebeian, lord and serf, guild-master and journeyman, in a word, oppressor and oppressed, stood in constant opposition to one another, carried on an uninterrupted, now hidden, now open fight, a fight that each time ended, either in a revolutionary reconstitution of society at large, or in the common ruin of the contending classes.”³¹

As long as human society exists, it will make history; but, as long as classes exist, that history will continue to be the history of class struggle. And in modern society we still have classes – predominantly the owners of labour power and the owners of capital.

How will the struggle between those classes be resolved? The postmodernist

critique of “grand narratives” has taken an insidious hold in society, with a lack of belief that any general alternative can be achieved or is worth fighting for. But there are many single issues which do move people to struggle – jobs, wages and conditions, peace, human rights issues, women’s equality, anti-racism, the environmental crisis.

A Marxist analysis shows that all these issues are bound up with the class nature of the society in which we live. War is a logical outcome of capital accumulation, particularly in the imperialist stage, as the major metropolitan centres increasingly seek to dominate markets and control access to raw materials. The current environmental crisis is directly bound up with the drive to maximise profit, generating – as Hegel called it – “a system of needs”³² at an unsustainable rate. And, as Hans Heinz Holz³³ has pointed out, the great human rights issues are at root class issues because they arise from the class structure of capitalist society: the right to live in peace, the preservation

of the natural conditions of life and nature, the elimination of poverty, the overcoming of discrimination and oppression – quite apart from resistance to the current attacks on our civil liberties, trade unions and democracy – all achieved through mass struggle.

The future, as the *Communist Manifesto* indicates, must either be a revolutionary transformation, or the common ruin of society as a whole. The latter would certainly be a *negation* – but not the *determinate negation* of capitalism. A revolutionary transformation cannot just be of any kind. If production and property relations determine capitalism, then its *determinate negation* is the abolition of these relations – the passing over of private means of production into social property.³³ This is socialism, the first stage towards communism, a truly classless society. It will not, however, happen of its own accord. It has to be fought for, economically, politically and ideologically.

The current postmodernist

approach exemplifies precisely the “disease common to economics, science and art” which Caudwell wrote about in *Studies in a Dying Culture*.³⁴ One of his key arguments was that bourgeois ideology is unable to hold together a consistent world view. In making a virtue of this, postmodernism demonstrates the utter bankruptcy of bourgeois ideology in its late, global imperialist stage. Challenging this position, and reasserting the power of creative Marxism, will therefore play a vital role in the struggle to change society. That is the role for all on the left, but for communists and the Communist Party in particular.

So who needs philosophy? Scientists? – yes. Workers? – yes. In fact, everyone who wants to see an end to exploitation, oppression, discrimination, war, poverty, who wants to protect the environment and who wants continuing human progress. But of all philosophies, only creative Marxism can provide the key to understanding the world, and changing it for the better. ■

Notes

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12 G W F Hegel, *Philosophy of Right*, see <http://www.marxists.org/reference/archive/hegel/works/pr/prconten.htm>

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What is ... Historical Materialism?



By
Mary
Davis



Who needs
Philosophy?

IF WE SAY THAT MARX'S PHILOSOPHY IS DIALECTICAL MATERIALISM, in other words, it is a way of viewing the world, then the question is: can this be applied to the development of human society? The conventional answer, of course, is that it can and that this is historical materialism. I think that historical materialism has been widely misunderstood and I want to offer a defence of it – a defence which looks back to what Marx said – and also to deal with some of the criticisms that have been made of it. In doing so, I aim to ensure that historical materialism is understood as a dialectical process and not as something which is firm and fixed. But I suppose that the critical question is: do we need it and what is it? It is all very well saying that we have our philosophy of the development of human societies, historical materialism, and we all learn what it is, but is it really important?

Let us start with what historical materialism *is not*. I would argue that it is not a science in the conventional sense, nor a law, and that it is undialectical to talk about laws by which human society develops. Society develops in a different sort of way, which I hope to explain. In 1843, Marx wrote a letter to Ruge in which he said:

“We do not confront the world in a doctrinaire way with a new principle: here is the truth, kneel down before it.”¹

Marx was a dialectician. He was constantly doing what we fail to do today: developing and refining a theory which only really had some very basic principles to it. In fact, it is also true to say that historical materialism *is not* an economically determinist paradigm – the base/superstructure model – in which the base only means the economy. It is much more fundamental than that.

So what *is* historical materialism? I think it is a theory, the only one which enables us to understand change in human society, and a method of perfecting this analysis. But – and this is the very important “but” – Marx barely developed historical materialism as an explicit theory. He applied it throughout but he gave only one very concrete expression of it, and that occurs in the 1859 *Preface to A Contribution to the Critique of Political Economy*.² It is only about two pages long, but it is absolutely brilliant. It starts off:

“In the social production of their existence, men [I'm sure he meant men and women – MD] inevitably enter into definite relations that are independent of their will.”

Marx talks, first of all, about “relations of production” which correspond to a definite stage of the development of material productive forces. What does he mean by “relations of production”? They are the way in which people have to relate to each other in order to produce, because, as Marx

said, you have to produce before you can think – a basic materialist proposition.

He goes on to say that

“the totality of these relations of production constitutes the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the general process of social, political and intellectual life.”

The “mode of production” consists of two things: the forces of production and the relations of production. It is much more than just the economy; it is also the relations that people enter into in order to produce – class relations. He makes the point that the mode of production conditions the social, political and intellectual life processes, before going on to say that

“It is not the consciousness of men that determines their being but their social being that determines their consciousness.”

Why was that so important in Marx's day? Because it was a challenge to the dominant notion of history, posited particularly by Hegel, that the “idea”, or man's consciousness, determined the way that people lived and society developed. Marx puts it exactly the opposite way

round. It sounds so simple but actually it is so profound and important.

When we look at postmodernist ideology, we can see just how wrong Hegel was, because postmodernism is fundamentally idealist and that is what Hegel and his whole German School of philosophy were. They were idealists in the sense that they reified the “idea” – religion or whatever happened to be around at the time – as the main motor of history.

However, so far Marx has not yet explained change – all that he has uncovered is a material foundation to society. He goes on:

“At a certain stage of development, the material productive forces in society come into conflict with the existing relations of production ... From forms of development of productive forces these relations turn into their fetters. Then begins an era of social revolution.”

That is why I say that Marx is a dialectician: the conflict between the forces and relations of production produces change. This is the dialectical method – but it is not a rarefied dialectical method, something which we impose on society. It is one which we can trace, as did the historians in the Communist Party History Group in the 1950s, in applying it to all aspects of society. Marx applied it somewhat himself although he was not a historian in the sense of the word. But what it meant was that one could trace certain key modes of production – the Asiatic mode, slavery, feudalism, capitalism and so on – and the way in which productive relations turned into the fetters of production. It is in fact not quite that simple because modes of production can co-exist alongside each other. But the conflict between the forces and relations of production is something which helps to explain change. We are not revolutionaries unless we can explain change.

Now, let us consider what Marx goes on to say:

“In studying such transformations it is always necessary to distinguish between the material transformation of the economic conditions of production, which can be determined with the precision of natural science, and the legal, political, religious, artistic or

philosophic – in short, ideological forms in which men become conscious of this conflict and fight it out.”

In other words, it is not automatically the case that people become conscious of the need for change in the way that we might hope that they would – and Marx says that is why majority classes are not necessarily the people who force these changes. The slaves were the majority class but they were not the ones that made the change to feudalism; it was the people who could benefit most out of feudalism, which certainly was not the slave class. It was not the serfs, the majority class, who made the change from feudalism to capitalism – it was the merchant bourgeoisie, the people who were trading in towns, who did it.

In continuing this paragraph Marx makes a most profound statement:

“Just as one does not judge an individual by what he thinks about himself, so one cannot judge such a period of transformation by its consciousness, but, on the contrary, this consciousness must be explained from the contradictions of material life”.

One of the reasons why this is so important is that there is a new school in history – sometimes called the linguistic turn, or “discourse theory” – which says that one can only judge society by what it thinks of itself. This is almost coming back to the notion of the “idea”. It is as though one would just have to look at

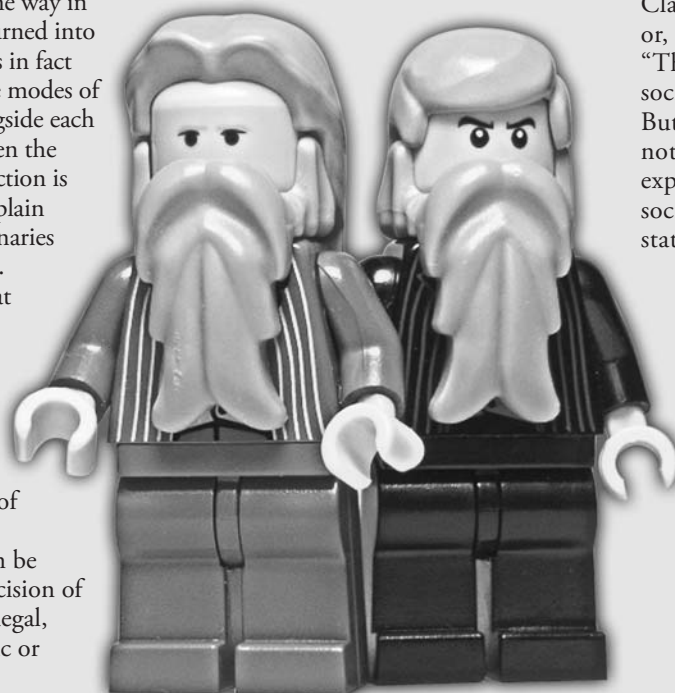
what people have said in the 17th century (if one could possibly find out what they said) and then judge them and society by those terms – which actually is just tracing the development of language, not the development of class, class struggle or anything else. In fact the whole postmodernist discourse is all bound up in this issue of language and culture, which actually is completely anti-historical.

Take Chartism, for example. The people who take this sort of linguistic turn say that there is not much difference between what the Chartists were saying in the mid-19th century and what English radicals were saying in the 17th century and what Liberals said in the later 19th century – there is one continuous development. This is rubbish: you have to understand all of those separate developments in the context, as Marx would say, of the forces that were at work at the time. There are tremendous differences between people who were active in the Levellers and the Diggers, for example, operating under conditions to end feudalism, and the Chartists, who were forming the first political party of the working class in an industrial capitalist society. To make a connection between them and the Liberals stretches credulity and makes nonsense of history.

Now, what does all this mean? To sum up: the forces and relations of production, the mode of production, are not the same as the economy. They incorporate the economy but are something much more profound – that the contradiction between them leads to different modes of production. Class struggle is the motor of history or, as the *Communist Manifesto* says, “The history of all hitherto existing society is the history of class struggle”.³ But, as I have already explained, it is not always the majority class, the most exploited class, that benefits from social change. Furthermore, as Marx states in the *Preface*,

“No social order perishes before all the productive forces for which it is sufficient have been developed ... Mankind thus inevitably sets itself only such tasks as it is able to solve.”

Basically, history is a comparatively recent academic discipline. What Marxists have done is to develop it from the stupid moral tales that once passed for it – handbooks for



rulers in which society was nothing, monarchy was everything – and from the whole positivist mode, involving people like Baedeker in the 19th century, developing history as just a collection of facts. Marx tried to understand something that no school of history had ever done before – social change. And this posed a tremendous threat to bourgeois historians who still in various ways wanted to preserve the old idea that society was as society was meant to be. In other words, they saw all history as development to the point at the present; the point at the present was perfect, *ie* society as it existed was perfect, so one did not need to study change; all one needed to do was study development up to the present. There is now a new form of idealism in history writing which is exactly coming back to that: some recent studies of the history of imperialism are actually saying that Britain's imperial past was wonderful. It is coming back to that nonsense because it does not want to explain or uncover the past and explain change. The Marxist method completely undermines that.

So how do we respond? We have to utilise Marxist general analysis and method. We have to break the stranglehold of positivism and

postmodernism – and, I would also argue, dogmatism, because those who always talk about “Marxist laws” miss the point about how sophisticated Marxist analysis really was and how self-critical Marx and Engels themselves were of their own analysis. I have never come across such wonderful self-criticism as Engels’ 1895 Introduction to Marx’s 1848 *Class Struggles in France*,⁴ where he said:

“History has proved us wrong and all who thought like us. It made it clear that the state of economic development on the Continent at that time was not, by a long way, ripe for the elimination of capitalist production; it has proved this by the economic revolution which, since 1848, has seized the whole of the Continent and caused big industry to take root ...”⁵

In other words, industrial capitalism had not in 1848 fully taken a foothold. So Engels and Marx were not dogmatists.

That is why, of course, it would be wrong for us to think that capitalism is ended with this present financial crisis, unfortunately – we would like it to be but we have not seen the harbinger of

the future taking shape yet. We also need to break new ground in understanding elements of social reality not analysed by Marx, for example, the relation between oppression and exploitation, hence uncovering the connections between the hitherto separate spheres of race, gender and class which we have neglected. And we need to apply historical materialism to looking at what went wrong in the socialist countries, which, to be honest, I do not think we have done in a proper historical materialist way. Without historical materialism, we cannot understand the past or the present. That is why we need it; that is why we have to defend it. First of all we do have to understand it – and we have to do so, free from dogmatism and the notion that somehow there are laws. ■

Notes

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3 K Marx and F Engels, *Collected Works*, Vol 6, p 484.

4 K Marx and F Engels, *Collected Works*, Vol 10, p 45.

5 K Marx and F Engels, *Collected Works*, Vol 27.

Not much difference between the Chartists and the Liberals?

The Great Chartist Meeting on Kennington Common, April 10, 1848



Why is a Philosophy of the Natural Sciences needed?



Who needs
Philosophy?



By Erwin Marquit



My answer to the question “Why is a philosophy of the natural sciences needed?” will take the form of several distinct components. Before enumerating them, I should point out that no separate Marxist philosophy of the natural sciences exists distinct from dialectical and historical materialism. Marxist philosophy of the natural sciences is the methodological application of dialectical and historical materialism to investigations in the various natural sciences.

I. A universal logical basis

The logic of the Marxist analysis of social development is based on the philosophical system of dialectical and historical materialism. Dialectical and historical materialism together constitute a unitary philosophical system. Comprehensive philosophical systems, or world-views, are always universal in character, embracing the spheres of nature, society, and thought. In asserting the validity of their philosophical system, Marx and Engels felt it necessary to demonstrate that dialectical and historical materialism provide the universal logical basis for understanding processes of change in the spheres of nature and society as well as in the thought processes by which this understanding comes about. Engels stressed this in his work on the dialectics of nature when he wrote:

“The fact that our subjective thought and the objective world are subject to the same laws, and, hence, too, that in the final analysis they cannot contradict each other in their results, but must coincide, governs absolutely our whole theoretical thought. It is the unconscious and unconditional premise for theoretical thought.”¹

2. Countering historical determinism

By the 1870s, Marx and Engels had essentially established the law-governed revolutionary transformative character of the process leading from capitalism to socialism. They had laid the theoretical basis for a revolutionary political movement that would be needed in this process and participated actively in its formation. Already in 1844,

Marx put forth the view:

“The weapon of criticism cannot, of course, replace criticism by weapons, material force must be overthrown by material force; but theory also becomes a material force as soon as it has gripped the masses.”²

An ideologically strong revolutionary political movement is needed to bring this material force into being. The material character of this movement was further elaborated by Lenin in outlining the organizational character of the party of a new type in *What is to be Done?*

The reformist undermining of the thesis that a revolutionary movement is necessary was based on the mechanistic projection that the operation of dialectics of nature would inevitably bring about the self-destruction of capitalism, making unnecessary

a class struggle oriented toward socialism. Therefore, according to Bernstein, and later Kautsky and Hilferding, the task of socialists was to work for reforms within the capitalist system.³ By ignoring the necessity of ideological struggle for the cause of socialism, they effectively discarded historical and dialectical materialism and turned dialectics of nature into a mechanistic determinism. But the transition from capitalism to socialism differs from previous societal transformations in that the process can only be brought about with conscious understanding of its nature and necessity. Life under the material conditions of existence under capitalism serves as the source for acquisition of this consciousness among the masses, but this acquisition cannot occur spontaneously through economic struggles. The consciousness must be imparted to them by the party that is guided by historical and dialectical materialism.



3. The relationship between matter and ideas

The Hegelian Marxists, such as Lukács, Korsch, and Gramsci, argued that dialectics is not applicable to nature and that in fact its application to nature is the source of the mechanistic determinism that led to reformism.⁴ In making this argument, they also rejected the Leninist reflection theory of knowledge as the basis for the Marxist-Leninist concept of the relationship between the two fundamental philosophical categories, matter and ideas.

The understanding of this relationship lies at the heart of the Marxist concept of the scientific method. The idealist character of this view led to giving overriding priority to the development of a socialist consciousness while paying inadequate attention to strengthening the material organizational basis of the class struggle. Despite the common idealist character of their philosophies, Lukács, Korsch, and Gramsci differed considerably in their political orientation. Although Gramsci's philosophical inclinations leaned toward idealism, he was in fact a Leninist in politics.⁵

In the latter half of the twentieth century, the effectively reformist attempt to deny the applicability of dialectics to nature took the additional form of separating Marx from both Engels and Lenin. Marx was characterized affectionately as a humanist, while Engels and Lenin were characterized as crass materialists. Supporters of this view (for example, the well-known Israeli political scientist Shlomo Avineri) assert unabashedly that Marx never accepted the applicability of dialectics to nature, and that we have only Engels' word for his doing so. Such assertions are made in spite of the fact that Avineri and others of that school were well aware of Marx's letter to Kugelmann in which he wrote that "the

dialectical method" is "the *method* of dealing with matter".⁶

Actually it was not necessary, of course, for Marx to state explicitly (although clearly he did) that dialectics applies to the sphere of nature. Hegel had already spelled this out in his works, as did Marx himself in *Capital* and elsewhere. Underlying the attempt to deny the applicability of dialectics to nature is a strong anti-communism that dissociates itself from any political, organizational forms of class struggle. Reassertion of the integrity of historical and dialectical materialism and its applicability to nature, society, and thought strengthens the theoretical basis for engaging in day-to-day organized political struggle essential for opening up space for the development of a socialist consciousness.

4. Clarity for the Understanding of Change

One of the principal reasons for attention to dialectical materialism by natural scientists is the clarity it brings to understanding processes of change in all the natural sciences. I found it an invaluable tool both in my teaching of physics and my research on the conceptual foundations of physics.

In most of the twentieth century, the dominant philosophy of science was logical positivism, which gave birth to the concept that basic properties in any science have to be defined by operational definitions. The leading textbook of introductory physics at US universities in the 1970s was *Fundamentals of Physics* by David Halliday and Robert Resnick. In the 1974 edition, we read: "One view is that the definition of a physical quantity has been given when the procedures for measuring that quantity are specified. This is called the *operational* point of view because the definition is, at root, a set of laboratory

operations leading to a number with a unit."⁷ Although this was presented as "one view," no other view was presented.

Another 1970s textbook, *Physics*, by Chris Zafiratos, in discussing units of time, gives an operational definition of the second by the swings of a simple pendulum. It continues, "In this manner the romantic, philosophic question, 'What is time?' is ignored in favor of a definition so that we can get on with the study of motion".⁸ As Lenin pointed out, however, fundamental properties cannot be defined, because if a property is fundamental, there is nothing more fundamental with which to define it.⁹

In the dialectical-materialist view, fundamental properties in a given field are akin to philosophical categories, the building blocks of logical thought. The meaning of fundamental properties is determined by the interrelationships among them as expressed through the laws of the particular scientific field invoking them. In reality, operational definitions in physics are not definitions at all, but procedures for standardizing the units in which they are measured. Largely as a result of the Marxist critique of logical positivism, operational definitions began to fade away from physics textbooks, as did logical positivism itself.

Another change in the direction of the Marxist dialectical understanding is the change in the textbook statements about the subject matter of physics – from characterizing it as the study of invariances (that is, the unchanging character) of matter to the increasingly current characterization as the study of changes in the physical world.

Prior to the 1920s, the concept of causality in physics was based on the principle that a single cause produces a single effect. With the emergence of quantum physics

in the 1920s, this principle was thrown into confusion because it turned out that a single cause could produce a variety of effects. The outcome of a precisely established experimental process could not be predicted uniquely, but only statistically. This seemed to invalidate the philosophical principle of determinism. Marxist physicists – Paul Langevin in France, Vladimir Fock in the Soviet Union, and Mituo Taketani in Japan – showed that a materialist concept of determinism was not locked into what was essentially the mechanistic principle that a single cause produces a single effect. They demonstrated that acceptance of statistical laws as fundamental laws of physics is still an expression of determinism consistent with a materialist outlook (for details, see Freire¹⁰, and Hörz *et al.*¹¹).

In the 1920s, the famous Marxist biochemist Joseph Needham introduced in biology the philosophical and methodological concept that is designated today as *levels of organization and integration of matter*. For example, in physics we now have fields of specialization called elementary particle physics, nuclear physics, atomic physics, molecular physics, solid-state physics, etc. In the dialectical-materialist view, each level of organization and integration of matter represents a qualitative transformation from the level below it. Each level requires study for its own laws of behavior; this is an understanding quite opposite to the mechanistic reductionism that sought to explain the sciences by seeking the simplest parts of a physical system and basing its laws on them. The Marxist critique of racist theories of intelligence argues that attempts to factor out the cultural component of intelligence from the genetic component represent an incompatible mixing of the genetic level of the human being with the social level.

A dialectical-materialist content is reflected in any progress scientists make in moving the theory of a natural science forward, whether or not all scientists are conscious of it. A notable example of this is in Isaac Newton's concept of inertial mass. Newton's mechanics have long been considered the principal source of mechanistic thought. Yet he quantifies the (inertial) mass of a physical body by asserting its proportionality to the inertial resistance to a change in motion in the presence of an external force. In this way, he establishes the meaning of (inertial) mass by relating it to the interaction of two opposing forces. In his reasoning, he uses the Aristotelian dialectic of the realization of the *actual* from the *potential* by asserting that this inertial resistance (which he called "*vis insita*, or innate force of matter") "only exerts this force when another force, impressed upon it, endeavors to change its condition".¹²

5. Interconnection with societal development

Philosophy of the natural sciences is also needed because of the interconnection between the natural sciences and societal development. This interconnection exists, of course, whether or not natural scientists concern themselves with it. The problem is that natural scientists, in their education and work, tend to ignore this interconnection and focus intensely and narrowly on their particular fields of theory and practice, oblivious to the consequences of their work on other fields. Consider, for example, the Green Revolution, a development in agricultural technology that increased agricultural production in many developing countries. Its application, however, also contributed to the growth of surplus rural populations that migrated to cities with no plan to absorb them, resulting in huge slums.

One can cite numerous scientific and technological advances which, when introduced into the economy, subsequently endangered human life – most notably through the destruction of the physical environment. In particular, inadequately tested new materials and chemicals have been introduced with toxic properties causing tragic results. How does this come about?

Initial answers to this question may be to fault regulatory agencies and to cite the absence of regulatory legislation that would require adequate testing before the products are approved for use. While regulatory legislation requiring adequate testing is an absolute necessity, the initiative for signaling such testing should be built into the scientific methodology employed by the scientists involved in the development. But this is not done. A major reason for this disastrous omission is that educational and research institutions in most cases relegate philosophy to the social sciences, and in doing so isolate philosophy in a separate department. Philosophical research in the natural sciences is then perceived as a diversion from actual sciences. Instead, philosophy should be integrated into the individual disciplines of the social and natural sciences.

The failure to integrate philosophy into each discipline deprives natural scientists of intimate contact with the conceptual foundations of their sciences. They are left ignorant of understanding the broad scope of the interconnections of their fields with other fields unless they happen to be self-educated in the philosophical literature concerning their fields as well as in philosophy in general.

The problem here is that, when research in philosophy of physics is carried out by philosophers in a philosophy department, the tendency is to

view the results of such research as a contribution to philosophy. Benefits of this research are effectively confined to other philosophers, who are not those doing the science. In contrast, when a physicist deals with philosophical problems of physics, it is not in order to make a contribution to philosophy, but rather to apply philosophical knowledge to the understanding of physics. The narrowness that is inevitably associated with mechanistic applications of science and technology can only be overcome by incorporating awareness of the dialectical interconnections among the sciences into the education and work of natural scientists.

Conclusion

Dialectical and historical materialism came into being as a philosophical system because Marx and Engels needed it to uncover the evolutionary process guiding societal transition from capitalism to communism. With this tool, they were able to unravel the political economy of capitalist production, especially the source of capitalist profit; and to establish the interconnection between the material conditions of life and the consciousness that arises from these conditions. They recognized that imparting this knowledge to the working class and its allies would give them an indispensable weapon: the understanding that the revolutionary transformation from capitalism to socialism is conditioned on the development of an ideologically alert mass movement aware of its historical mission. Their studies of the natural sciences enabled them to show how the development of the material forces of production (natural resources, tools, and labor), integrated with empirical and scientific knowledge about them, lies at the heart of societal change.

The spheres of nature, society, and thought all enter into Marx and Engels' theoretical analyses. In laying the foundations of dialectical and historical materialism, Marx and Engels gave natural scientists, as well as social scientists, a most valuable methodological tool for research in the individual disciplines and demonstrated the danger of ignoring interconnections among the various fields of the natural and social sciences. ■

Notes

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Orthodox and Marxist theories of the State and Local Government

Part 1:

“Classical” Liberal, Social-Democratic and Neoliberal Theories

This article discusses the methodological and theoretical basis of my forthcoming pamphlet entitled *Local Democracy versus “Local Governance”*.¹ Part 1 outlines these methodological considerations and critically analyses orthodox non-Marxist theories. Part 2 focuses on the state monopoly capitalist theory of the state and local government. Part 3 discusses other British radical and Marxist work on the state and local government from the late 1960s to New Labour. Parts 2 and 3 will be published in the next two issues of *Communist Review*.

As John Kingdom states:

“Orthodox writing on British politics purports to take an objective position without a commitment to any political ideology. The cogs and cams of the system are detailed in much the same way as the internal combustion engine might be. The implication of this approach is that the state itself is an apolitical machine, not favouring any particular interest within society, which a government takes over like the driver of a car. This belief is a central plank in the theory of British liberal democracy. However, the idea of the neutral state, easily controlled by anyone in the driving seat, may be contested. To Marxists and others it serves the interests of capital and wealth. Hence, writers implying it to be impartial are actually making a

political (anti-left) statement. Rather than peeling away the facade they are contributing to the process of concealment.”²

This article also rejects “the widely-held liberal view that the State is ... impartial in the conflict between workers and capitalists”:³ because the Marxist “mode of analysis” – which “has seldom been adopted in relation to the British political system” – “accords a central place to the containment of class conflict and pressure from below”.⁴ The exceptions until the 1970s, as Ralph Miliband writing in 1984 noted, were: Harold Laski’s *Parliamentary Government in England* (1938); John Gollan’s *The British Political System* (1954); and James Harvey and Katherine Hood’s *The British State* (1958).⁵ Similarly, as Miliband also observed in 1984, despite “the radical and Marxist oriented work that has been done in the last decade or so” on local government in Britain, “prevailing orthodoxies have remained well entrenched”.⁶



British economist,
Maurice Dobb
(1900 – 1976)



By Peter Latham

I: Methodological Considerations

The key inter-related features of the Marxist method in the social sciences are as follows:

The distinction between “appearance” and “reality”

According to Marx, “All science would be superfluous if the outward appearance and the essence of things directly coincided”.⁷ For example, New Labour’s community empowerment rhetoric (the “appearance”) obscures the “reality” that US-style directly-elected mayors with cabinets are the optimal internal management arrangement for privatised local government services.

Dialectics

Marxist dialectics, as Bertell Ollman states, “is a way of thinking that brings into focus the full range of changes and interactions that occur in the world”, of which Marxists use four aspects: identity/difference, interpenetration of opposites, quantity/quality and contradiction.⁸ In what Marx calls the common sense approach, also found in formal logic, things are either the same/identical or different, not both. On this model, comparisons generally stop after taking note of the way(s) any two entities are either identical or different, but for Marxists this is only the first step. For example, orthodox political scientists only describe the obvious differences between the old and the new system of local government introduced by New Labour’s Local Government Act 2000, which deprived most councillors of any role in policy-making, by abolishing the committee system in all except the

smallest local authorities and introducing US-style executive mayors. Marxists, on the other hand, then go on to show how such policies are crucially related to the privatisation of services and attempts by the central state to restore the conditions in which profitable investment and capital accumulation can take place.

The notion of the interpenetration of opposites stresses that nothing – no event, institution, person or process – is simply and solely what it seems to be at a particular place and time; and that everything is situated within a certain set of conditions. Viewed in another way, or by other people, or viewing them under drastically changed conditions, may produce not only a different but the exact opposite conclusion or effect. For example, in 2001 Doncaster’s citizens voted for the new mayoral system because they thought it would help draw a line under the previous period of sleaze and corruption when Ray Stockhill – a former deputy leader and civic mayor – was given a two-year suspended sentence for receiving bribes totalling more than £30,000 from local property developer Alan Hughes. In February 2007, the council received a petition signed by 11,000 calling for a referendum to abolish the US-style executive mayoral system because Doncaster citizens now feel it gives one person too much power. However, the referendum will not be held until 2011, because under the existing legislation another referendum cannot be held for 10 years.

Initially, movement within any process takes the form of quantitative change. Then, at a certain point – which is different for each process studied – a qualitative transformation takes place,

indicated by a change in its appearance and/or function. It has become something else while, in terms of its main constituting relationships, remaining essentially the same. The history of Doncaster’s disillusion with the mayoral system illustrates the latter process, which arose out of the contradiction between New Labour’s community empowerment rhetoric to justify the introduction of such mayors; and the reality that the reign of their mayor has been mired in controversy after a series of police and independent inquiries into his conduct.

The historical-relative character of social laws

As Maurice Dobb – in his little-known classic statement on the matter – emphasised, a key

“feature of the Marxian method is its insistence on the historical-relative character of social laws. From this it follows that social analysis should concentrate on special and peculiar features of a particular form of society, rather than attempt to abstract certain aspects common to *all* forms of society and on these assumptions to erect principles of universal application ...”⁹

For example, New Labour’s local “governance” project, which is an intensification of previous Conservative policies to undermine local democracy in the interests of big business, cannot adequately be explained unless it is related to the current crisis of British state monopoly capitalism. The Confederation of British Industry, on behalf of monopoly capitalism, called for a review on how to



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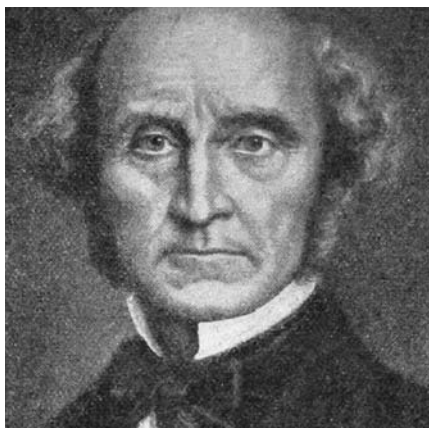
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John Stuart Mill British philosopher, political economist, civil servant and Member of Parliament (1806 – 1873)



Thomas Hill Green English philosopher, political radical and temperance reformer (1836 – 1882)

increase privatisation – to which the government immediately agreed in December 2007, and appointed an advisory panel in which these interests were overwhelmingly represented. The Julius report's key recommendations in July 2008 – that, if fewer conditions of a "social or environmental kind" are imposed in contracts, privatisation of services can be significantly increased – were instantaneously gushingly endorsed by John Hutton, then Secretary of State for Business Enterprise and Regulatory Reform:

"I very much welcome Dr Julius's analysis. I will be working with colleagues across government over the next few months to consider the recommendations she has made and explore how they can be translated into a tangible programme of action ..."¹⁰

The causal sequence is essentially from the socioeconomic structure of a given society to its ideology Marx in his Afterword to the Second German Edition of Volume One of *Capital* stated that:

"My dialectic method is not only different from the Hegelian, but is its direct opposite. To Hegel... the real world is only the external, phenomenal form of 'the Idea'. With me, on the contrary, the ideal is nothing else than the material world reflected by the human mind, and translated into forms of thought."¹¹

For example, as the origins, terms of reference, and acceptance of the Julius

report recommendations by the government again illustrates, New Labour's neo-liberal ideology reflects the fact that it now openly operates in the interests of monopoly capitalism.

Class conflict as the motive force for change

For Marx, as Dobb points out, the motive force for change was also "firstly to be looked for, not in some factor external to a given society, but internal to it; and secondly was to be sought primarily in the antagonistic relations inside the mode of production – in other words, in class antagonism".¹² For example, across the public sector, including local government, the government pay policy and so-called "efficiency" savings are cutting real wages, jobs and services with damaging consequences for the local economy. Hence only with the rebirth of a genuinely working class political movement – through the active involvement of the democratic organisations of organised labour, trade unions and trades union councils, in wider mass campaigning and resistance in local communities and the structures of local government – will it be possible to win the battle to reinstate local democracy.

The unity of theory and practice

Particularly important is Marx's eleventh thesis on Feuerbach, with its emphasis on the unity of theory and practice, which says: "The philosophers have only *interpreted* the world in various ways; the point is to change it."¹³ In other words, the purpose of understanding New Labour's local "governance" project is to reverse it.

II: “Classical” Liberal Theories

J S Mill, as James Chandler reminds us, was haunted “by the Victorian fear that democracy might open the way for a ‘tyranny of the majority’”.¹⁴ This fear was articulated by Robert Lowe who, when speaking in the House of Commons in 1865, said:

“Nothing is so remarkable among the working classes of England as their intense capacity to associate and organise themselves ... It is, I contend, impossible to believe that the same machinery which is at present brought into play in connection with strikes would not be applied by the working classes to political purposes. Once give the men votes, and the machinery is ready to launch those votes in one compact mass upon the institutions and property of this country ... no employment [is *PL*] more worthy of the philosopher and statesman than the invention of safeguards against democracy.”¹⁵

Moreover, as Mill asserted in 1861, regarding local government:

“The authority which is most conversant with principles should be supreme over principles, whilst that which is most competent in details should have details left to it. **The principal business of the central authority should be to give instruction, of the local authority to apply it.**”¹⁶

Post-Mill, as Chandler notes, T H Green in 1883 argued that

“a right is only possible if it did not undermine what might be for the general good of all and was consummated in the will that underlay the state, it follows that ... the discretion of local government must always be limited by the state.”¹⁷

Green’s successors in forwarding New Liberalism, such as Bernard Bosanquet – the leading exponent of Idealism in political theory – and L T Hobhouse, had similar views to Mill.¹⁸

III: Social-Democratic Theories

As G D H Cole observed in 1932:

“The Fabians regarded themselves as completing the work which he [J S Mill *PL*] had begun and thus found further cause to emphasise their continuity with older liberal thought ... Marx believes that socialism will come not only because it is a better system than capitalism but because there is behind it a rising class led by economic conditions to achieve it. Fabian literature, on the other hand ... shows no belief at all in a class struggle as the instrument of change. The Fabians are essentially rationalists, seeking to convince ... by logical argument that socialism is desirable ... They seem to believe that if only they can demonstrate that socialism will make for greater efficiency and a greater sum of human happiness the demonstration is bound to prevail.”¹⁹

Ramsay MacDonald in the early days of the Labour Party devoted a good deal of attention to the question of the state, and according to him:

“Socialists should think of the State and political authority not as an expression of majority rule or of the rule of any section, but as the embodiment of the life of the whole community.”²⁰

Thus MacDonald accepted the liberal theory of the neutral central state and local government, and saw them as representing the interests of the nation as a whole.

Sidney and Beatrice Webb in the 1920s considered that Parliament needed to establish a national minimum of service provision; and that councillors should be paid to remove the wealthy businessmen who dominated councils to further their local interests in slum property, building contracts and public houses.²¹ But, although the Webbs also saw the socialist possibilities of larger authorities such as the London County Council for securing common ownership of the means of production, like all Fabians they rejected class politics as the means to achieve it.

Clement Attlee – when he was a Stepney Borough councillor – supported

Poplar Council’s refusal to levy rates for outside authorities in 1921: whereas the then mayor of Stepney Herbert Morrison strongly opposed such direct action.²² However, “Poplarism” was a minority strand in Labour local government; and by the 1930s Attlee was warning that a Labour government might have to send in commissioners to deal with obstructive local authorities.²³ He also argued that the central state and local government were neutral, could easily be controlled and did not require any basic changes:

“The system of government and administration in this country has been evolved through the centuries and adapted from time to time to new conditions ... With this machinery ... we can make such changes as we desire.”²⁴

Hence the “social-democratic” theory of the central state and local government – with its stress on neutrality, rejection of class politics and struggle as an instrument of change, responsibility, gradualism and efficiency – is essentially an extension of 19th century liberal theory to the 20th century, when Labour replaced the Liberals as the second main party following the gradual introduction of universal suffrage.

IV: Neoliberal “New Right” Theories

As J A Chandler argues:

“The term ‘new right’ has been used to describe a portfolio of overlapping, but by no means identical theories, that have had a dominant influence in the Conservative Party since the 1970s. In reality it would be better to describe the theory as neo-liberal, since this approach revives the beliefs in individual competition as a means of progress that were developed by classical liberals such as Bentham and Adam Smith. They argued, in opposition to Tory traditionalism, that the government should only interfere in the lives of individuals to prevent one person from harming the happiness of others by causing physical injury or unlawfully appropriating his property... F A Hayek ... Robert Nozick ... Milton Friedman and



the public choice theorists ... differ on many points ... but all generally accept that ... the state has grown out of control [and should be *PL*] diminished along with self-interested restrictive bureaucracies that have become useless parasites on individual entrepreneurship The welfare services produced by the state also diminish the potential for innovation through high taxation by forcing the poor into an inescapable cycle of servitude, as they are given no incentive to develop their lives through productive work.”²⁵

On the basis of these values the Thatcher and Major governments developed and implemented the concept of the “enabling” authority to ensure that community services were provided by the private sector.

Some analysts saw these developments as a response to a new phase of capitalist development, characterised by a shift from Fordist to post-Fordist production methods. Thus, in Jerry Stoker’s version of post-Fordist restructuring, attempts to reform local government were

“part of the Thatcher Government’s response to these processes. The aim is to create a local government compatible with the flexible economic structures, two-tier welfare system and enterprise culture which in the Thatcher vision constitute the key to a successful future.”²⁶

However, such theories fail to present a convincing argument of why one societal mode of production or organisational form should replace the other. For, as Allan Cochrane argues, the purported shift from Fordism to post-Fordism is not so much a theory of social change as a “juxtaposition of two typologies with little to say about the dynamics of change”.²⁷

Nicholas Ridley, Secretary of State for the Environment from May 1986 until July 1989, said:

“The root cause of rotten local services lies in the grip which local government unions have over those services in many parts of the country Our competitive tendering provisions will smash that grip once and for all.”²⁸

In academic circles, the “enabling” model quickly established itself as the new orthodoxy; and was the government’s model for local government in the 1990s and into the 21st century. As Chandler also stated:

“The role of a local authority in the right wing framework would be to ensure that services essential to the community were provided efficiently by privately owned firms or charities and trusts. The local authority would not undertake the actual provision of a service by, for example, employing refuse collectors and owning street cleaning equipment. Private companies would compete amongst themselves for contracts to provide services awarded by the local authority. Thus a major function of the enabling authority would be to draw up contracts specifying the work required and then to seek tenders from private firms to undertake the contract.”²⁹

Under the “enabling” model in its extreme form, as popularised by Nicholas Ridley, councils would only need to meet twice a year to exchange contracts.³⁰

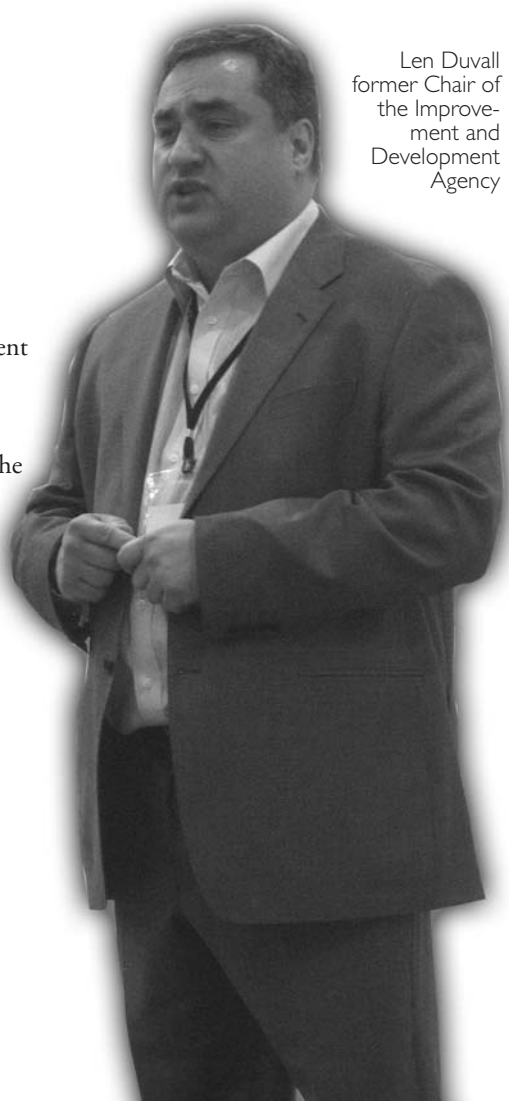
V: Neoliberal New Labour Theories

The neo-Gramscian Stuart Hall, writing in 2003, maintained that:

“New Labour does have a long-term strategy, ‘a project’: what Antonio Gramsci called the ‘transformism’ of social democracy into a *particular variant* of free-market neo-liberalism It *combines* economic neo-liberalism with a commitment to ‘active government’. More significantly, its grim alignment with the broad, global interests and values of corporate capital and power – the neo-liberal project, which is in the *leading position* in its political repertoire – is paralleled by another, *subaltern* programme, of a more social-democratic kind, running alongside. This is what people invoke when they insist, defensively, that New Labour is not, after all, ‘neo-liberal’. ‘The fact is that New Labour is a *hybrid* regime, composed of two strands. However, one strand – the neo-liberal – is in the dominant position. The other strand – the social democratic – is subordinate.”³¹

Chandler argues that:

“The Third Way and the Blair government ... rather than being particularly new, resemble more the values of New Liberalism and the policies of Lloyd George. As with the New Liberals, New Labour can similarly value decentralisation in theory but in practice shows but limited enthusiasm for local government Communitarian theory is a broad church but harbours some potential for a justification of local government based on the value of freedom of action for communities However, as with J S Mill, **other aspects of this ideology have forestalled much enthusiasm for local government as opposed to local**



Len Duvall
former Chair of
the Improvement
and
Development
Agency



Community and trade union protest against academy school plan in Croydon

governance In the context of a justification for local government a more substantive direct theory in support of the institution would need robust support to overcome a strongly ingrained culture, originating from Mill and embroidered by New Liberal and social democratic thought, that justifies local government expedientially as an organisation serving the needs of the state in securing stable liberal democracy led efficiently by educated professionals.³²

Moreover, as Leo Panitch and Colin Leys also note:

“There were probably fewer intellectuals in the Blair leadership team than at any time in the party’s history Instead ... there was a proliferation of new ‘think tanks’, pools of what might be called ‘average’ intellectual labour power, which aimed at bringing useful ideas from a wide variety of sources to the attention of the Labour leadership By the end of the 1990s at least four such groups were in business: the Institute of Public Policy

Research ... and Charter 88 (both founded in 1988), Demos (established in 1993), and Nexus (formed in 1996).³³

Missing from this list is the New Local Government Network (NLGN), which – according to Labour’s National Executive Committee member and Vice-Chair of the Local Government Association Sir Jeremy Beecham – is “the provisional wing of the consulting and contracting sector.”³⁴ The NLGN was established in 1996 by a small group of senior Blairite figures in local government: Lord Bassam (then Parliamentary Under-Secretary of State, Home Office); Len Duvall (now leader of the London Assembly’s New Labour group and former Chair of the Improvement and Development Agency which trains councillors for “modernisation”); Gerry Stoker (until recently NLGN’s Chair and still a member of its Board, who is now Professor of Politics and Governance at the University of Southampton and in 1997 became a member of the Academic Advisory Group to the then Department of Environment, Transport and the Regions which drafted the statutory guidance on the Local Government Act 2000); and Rita Stringfellow (former Leader of North Tyneside Council).³⁵

NLGN is funded by the private contractors whose profits are boosted by the privatisation of local government services. NLGN in the financial year 1999/2000 received £279,542 from “corporate partners” during the passage of the Local Government Bill 2000 through Parliament.³⁶ NLGN had 22 “corporate partners” in September 2008: Aim Infrastructure, Amey, Bircham Dyson Bell, Business Services Association, British Telecom, Confederation of British Industry, Centre for Public Service Partnerships, the City of London Corporation, Enterprise, Eversheds, Happold Consultancy, HBS Business Services, Impower, Northgate Public Services, Kier Group, Mouchel, PA Consultancy Group, Pinnacle, Prospects, Price WaterHouse Coopers, Rockpools, Serco, Tesco and Vertex.³⁷

NLGN’s early lobbying success – unacknowledged in all orthodox studies of local government – was reflected in Labour’s 1997 General Election Manifesto. The latter included a whole section headed “Reinvigorate the Private Finance Initiative”, and under the heading “Good local government” stated: “We will encourage democratic innovations in local government, including pilots of the idea of elected mayors with



executive powers in cities". The other Manifesto reference to the idea is a bullet point in the section headed "We will clean up politics": viz. "Elected mayors for London and other cities".³⁸ NLGN's executive included former Local Government Minister Hilary Armstrong's closest advisers; and the Local Government Act 2000, which deprived most councillors of any role in policy-making by abolishing the committee system in all except the smallest local authorities and introducing US-style executive mayors, implemented its original agenda.

In October 2000 NLGN and the Institute for Public Policy Research published *Towards a New Localism* by Geoffrey Filkin, Gerry Stoker, Greg Wilkinson and John Williams, which was aimed at influencing party manifestos on the future of local government in the run up to the 2001 general election.³⁹ The paper "rejects the dominant view of local councils as primarily producers of services"; and, despite the reference to "localism", stated "that over a ten-year period the number of councillors in all principal authorities should be reduced significantly" and replaced by "talented people from business or the voluntary sectors to take office within a cabinet on the invitation of the leader or the mayor". The US-style executive mayor would also have the power to appoint quangos. These proposals, if implemented, would mean the end of representative democracy in local government.

Stoker is the leading theorist/analyst of New Labour's local "governance" project, and advocate of compulsory US-style directly-elected mayors in particular,⁴⁰ and "the most referenced academic in the field of local government".⁴¹ In the mid-1990s, when, strongly influenced by Clarence Stone,⁴² Stoker argued that liberal urban regime theory

"provides a new conceptual framework for analysis which captures key aspects of urban governance at the end of the century. It provides a new conceptual framework and more particular theoretical statements about causal relationships and behaviour in urban politics Its emphasis on the interdependence of governmental and non-governmental forces in meeting economic and social challenges focuses attention upon

the problem of cooperation and coordination between governmental and nongovernmental actors."⁴³

But, as Kevin Orr points out, "regime theory's focus on the local at the expense of the nonlocal ... has little explanatory power over the wider conditions in which local government operates".⁴⁴ Moreover, there are similar problems with Stoker's recent work arguing that institutional grid-group theory,⁴⁵ which identifies "four biases in social organisation" – hierarchy, individualism, egalitarianism and fatalism – "helps to illuminate the particular character of New Labour's reform strategy".⁴⁶ New Labour, according to Stoker, like the Conservatives, has a "top-down, hierarchical approach" that

"has also been influenced by nostrums associated with the fatalistic quadrants of grid-group theory. A sense that the world is unpredictable, that reforms cannot be assumed to work and that it is difficult to know which actors or institutions to trust pervades New Labour thinking. ... **The point of the interpretation offered here is not that New Labour's programme is incoherent but rather that up to a point it is incoherent with reason, and for a purpose.**

New Labour's policies are in part deliberately designed to be a muddle in order both to search for the right reform formula and to create a dynamic for change by creating instability but also space for innovation."⁴⁷

Stoker's latest interpretation, as Orr concludes, is therefore a

"top-down account of the drivers for change in local governance: transformations appear, in this analysis, always to stem from the vision and calculations of central government strategists As had been the case with his approach to regime theory, Stoker outlines a fairly positivist conception of how grid-group theory ought now to be developed and applied ..."⁴⁸

The methodological and theoretical contradictions of Stoker's work are also compounded by his political and policy interventions via the New Local

Government Network, which – as shown above – simultaneously provide both a justification for New Labour's local "governance" project to date as well as seeking to extend it to the point at which representative democracy is eliminated altogether (that is, total local "governance" with no directly provided services).

The Marxist critique of Stoker in this article is also categorised by Orr as the "Stoker as 'Judas'" interpretation because he states it describes

"him as an academic enemy, or betrayer, of local government whose work has given intellectual justification to efforts to undermine it, through what have been seen as his attacks on representative democracy, councillors and political parties. Such a reading – Stoker as an apostate – is suggested by a number of sources. One general line of criticism of Stoker has focused on his work with the New Local Government Network (NLGN) and on its links with the range of major corporate sponsors from which it draws support. This connection is taken to imply, almost axiomatically, that the Network, therefore, is bound to reflect the interests of 'big business' in making its policy interventions."⁴⁹

Orr correctly regards the approach that is adopted here as one "which positions Stoker as a tool of multinationals and a betrayer of local government ... and assumes ... that local government is: (a) under attack; and (b) worth defending".⁵⁰ This is because Stoker is the main theorist and apologist for New Labour's local "governance" project which, despite the grandiose exhortations throughout its recent consultation paper to "strengthen participatory democracy" and "deliver genuine empowerment to local people", is solely about making it easier to introduce US-style executive mayors – the optimum internal management arrangement for privatised local government services.⁵¹ However, Orr's claim that the approach adopted here is "also the crudest and most undeveloped" – and "a one-dimensional critique which fails to articulate its own value base"⁵² – is not accepted, because its multi-dimensional dialectical methodology, theoretical framework and value base, as shown above, are all overtly articulated. ■

Part 2 in the next issue of *Communist Review* focuses on the state monopoly capitalist theory of the state and local government. James Harvey and Katherine Hood's path-breaking 1958 study of *The British State* is re-assessed. Trends in British state monopoly capitalism since 1958 – and how they relate to local government – are also reviewed. Part 3 discusses other British radical and Marxist work on the state and local government from the late 1960s to New Labour plus in particular the implications for strategy and tactics to win the battle to reinstate national and local democracy.

Notes

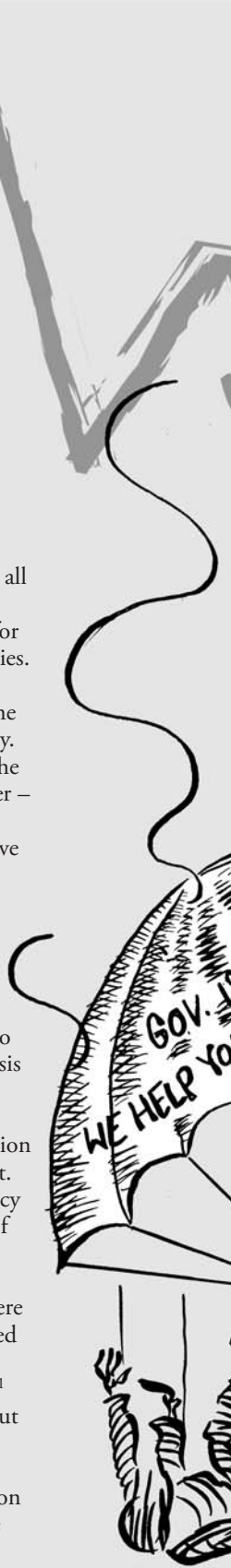
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For workplace democracy in a socialised economy

We are witnessing yet another capitalist economic slump, with all the deprivation and misery that will cause for workers and their families.

Neo-liberalism has been ideologically holed below the waterline and is listing badly. But it – and capitalism or the “free market” for that matter – will not be sunk of its own accord. We have seen massive state intervention to save capitalism from itself and from the actions in particular of one section of capitalism, finance capital. This action – notwithstanding the price to be paid by workers for a crisis not of their own making – may stabilise in the longer term the economic foundation of capitalism. Or it may not.

Such is the indeterminacy of capitalism and the lack of profundity of all existing conventional economic wisdom. Boom and bust were supposed to have been ended but, as the saying goes, “All that is solid melts into air”.¹ But what can be said without any doubt is that in the absence of deliberate, conscious collective action on the part of workers who are imbued with an alternative vision of how society and economy can be organised fully to meet their needs and those of humanity, capitalism – in one form or another – will continue hereafter. Indeed, the very conditions of the next cycle of capitalist





By Gregor Gall



boom and slump after this are being prepared within the existing slump because of the process of the concentration and centralisation of capital.

The key point here is that unions must develop the means of turning events like the slump into an opportunity. Recessions and slumps in themselves do not become opportunities unless unions have the ideological and physical means, resources and wherewithal to take advantage of these events and set the motion of history in a different direction. To move from where workers' consciousness is to where it should be – where unions want and need it to be – requires that unions outline a strategy that is able, when implemented, to build the capacity and consciousness of workers to struggle collectively so that they can encroach upon the control of capitalists and capitalism as well as that of the capitalist state. Such a strategy can be based on ideas and activities which prefigure a socialist society by providing not “islands of socialism” in a sea of capitalism as an autarkic solution but demonstrations of the vitality and virtues of collective provision based on need and not profit.

It is the contention of the argument presented here that unions can use the arguments for – and the creation of –

public or social ownership of different aspects of the means of production, distribution and exchange (and the necessary and attendant systems of support like education and health) to provide concrete pointers as to what a future alternative society could look like and how it could be arrived at. This paper will concentrate primarily on how workers can start to envisage this process by examining the issue of “industrial democracy”. But before moving to this, a more general argument can be made which relates to the current period.

The use of public or taxpayers' money to stabilise the financial system in the hope of stabilising the economy has been carried out by the current British government (and other governments) without placing any stringent conditions on the banks radically to change their behaviour and lending practices in return for this money. Indeed, the bail-outs effectively indemnify the banks against the results of their past behaviour. The terms of the bail-outs, more than any other feature – given the size of the bail-outs and the nationalisation of debt rather than of the profitable parts – has rankled with people. Consequently, there is an opening for unions to make the case that the expenditure of public



money on private institutions demands something in return like some form of popular (worker, public, tax-payer) control over these institutions both to safeguard the “investment” and to ameliorate the worst effects of the banks’ practices – in other words, to stop private entities called companies and run by private, unaccountable individuals being allowed to decide the fate of many others in many important aspects of their lives. This could be achieved by some form of democratic control.

It is not a huge jump from here to say that, where any public monies are spent, there should be forms of democratic control. For example, in health and education as well as the railways (because they receive huge public subsidy), the credible argument can be made that there should be direct and meaningful forms of popular control over, and involvement in, these institutions. Obviously, the practice of appointing lay school boards/governors does not meet this criterion while the proposal to have the direct election of health boards in Scotland may go some way towards this. The means of direct elections provides an opportunity – rather than a guarantee – that the current monopolisation of the political process by establishment political parties, the business lobby and the professional classes can be circumvented, or at least turned back.

The key connection being made here is several-fold – an immediate demand of the times can be linked to an extension of popular control over the provisions of services that are manifestly important and meaningful to their users, namely, the mass of citizenship. So this paper will now turn to use the same logic of the argument for extending popular control to the workplace.

Industrial or workplace democracy

Workers in Britain experience and are subject to a fundamental lack of democracy in the places where they work (and where they spend a considerable period of their lives). While there are some limited forms of political democracy through indirect representative institutions

produced, distributed and exchanged and decisions are made over these matters, there is also an absence of economic democracy. Consequently, there is a sizeable democratic deficit. Of course, workers have traditionally sought interest representation directly at work through collective bodies – labour unions – but unions are heavily dependent

appreciation is given to this part of the liberal democratic world-view (which of course is not the only world-view of the ruling class to hold sway). Second, and more importantly, is the imbalance in power between labour and capital (with the state being far more a creature of capital than labour) where there is a fundamental antagonism of interests between the two. Indeed, it is the fundamental reason why token appreciation seldom leads to any action of substance in this area.

In Britain, this imbalance has historically taken the predominant form of “voluntarism” or “collective laissez-faire” in the employment relationship, where capital and labour are left, largely unhindered, to regulate their own affairs and their interaction with each other. This occurs as a result of the employers’ and state’s wishes. Employers, given their superiority in power and resources and the interests they have, are happy to be able to manage their organisations, and to regulate their relationship with their workforces, as they see fit. In general, they oppose state intervention in industrial relations. Concomitantly, the perspective dominating state thought is keen to support this choice of non-regulation as a result of the belief that interfering with the managerial prerogative is detrimental to economic efficiency and wealth creation. Traditionally, many unions have also favoured this system, fearing the consequences for their freedom to act as they choose from the actions of the capitalist state, particularly in periods of union strength.

Of course, there are a number of important provisos to this characterisation of union perspective, concerning overturning the Taff Vale judgement of 1901 through the *Trade Disputes Act 1906* and the demand since the late

“This last point is very significant since the left must favour those means and mechanisms that raise upwards the collective aspirations, consciousness and capacities of workers to go beyond where they currently are in order to make headway towards the creation of a socialist society.”

such as parliament, there are no corresponding bodies for providing for “industrial democracy”. Moreover, those representative political institutions do not exercise much influence over the workplace – they choose not to because of the voluntaristic tradition of industrial relations in Britain and because of the way that parliament was fashioned to leave the economy essentially under private control and in private ownership. Consequently there is no workplace democracy (traditionally referred to as “industrial democracy”).

Moreover, because there is a lack of democracy at work, where goods and services are

upon other parties, namely employers and the state, for acceptance, legitimacy and recognition, so workers have no automatic, inalienable or inviolable rights for exercising some form of control over their working lives at work. Furthermore, labour union power ebbs and flows because of movements in labour and product markets as well as union strategies.

Nonetheless, it is generally conceded in the liberal democratic thought that workers should have a right to participate in the making of decisions that affect their working lives. Two phenomena prevent the realisation of this. First, there is the sense in which only token

1980s for a positive right to strike. Nonetheless, the general picture remains true – of voluntarism dominating the manner under which industrial relations and the employment relationship are organised in Britain.

In essence, employers, with the consent of the state, are given a free hand in how to determine their employment relations. This can most easily be seen if a comparison is made with the corresponding situations of other nation-based capitalisms in Germany, the Netherlands or Sweden (but that is not to suggest that state intervention in industrial relations is necessarily progressive, for the motivation and nature of the intervention are critical in determining the outcomes).

What has brought this issue of the abject lack of institutional workplace democracy back into sharper relief than at any time in the last few years has been the *de facto* full or partial nationalisation of some large financial institutions as a result of New Labour's response to the financial crisis of capitalism. Given the nature of nationalisation as part of the post-war

settlement and Labour's critical part in establishing this, a number of aspects come into view. Because of Labour's historical association with the labour movement and unions, it has often been assumed that i) nationalisation was – or should have been – an aid to creating the institutions of workplace democracy, and ii) subsequently Labour was predisposed to the creation and extension of workplace democracy through action to establish new institutions in the workplace and enterprise.

This was not the case in terms of worker directors – with only the Post Office and British Steel witnessing these in a mild form. Neither was it the case with the Royal Commission on Industrial Democracy (the Bullock Report) established in the fag-end of the 1974-1979 Labour government. Labour Party policy may have said one thing but Party leadership in government did another. However it was the case in terms of Party policy from 1979 until the early 1990s when the opportunity of opposition more easily afforded radicalism in policy and there was a relative move

to the left with the rise of Bennism. The upshot of this is that for some now there is still a latent sense that these nationalisations by a nominally Labour government should be accompanied by the setting up of instances of the institutions of workplace democracy. In other words, state control and state-run units of capitalism are not assumed to be value-neutral because the state is held to be a tool to regulate capitalism under a popular common sense version of social democracy.

That these actions of extending popular democracy have not happened should come as no great surprise to those of a critical left faculty but that does not mean the issue has no wider significance for unions, the left and workers. The first point that needs a wider airing is that Brown and Darling's terms for the bail-outs have not been stringent, no matter how much the bankers howl, testifying to the underlying rationale for them – saving capitalists and capitalism from themselves

rather than workers from capitalists and capitalism. (That does not imply that the state should not have acted to prevent financial turmoil and economic contraction because workers do suffer from these when capitalists also suffer from them.)

So the bail-outs have not been "socialism for the rich" as some of the media and left have described the actions, but state intervention to support and defend markets and neo-liberalism, which in some ways has been not dissimilar to the fundamental basis for the nationalisation of the post-war settlement. In this regard Peter Mandelson was more accurate than many on the left – like Ken Livingston and Derek Simpson – when he proclaimed that the government's actions were not a rejection of New Labour and a return to social democracy but a confirmation of New Labourism. The difference has been that there has been no need to respond to organised popular social demands of the kind that led to the establishment of the

RMT has campaigned for reclaim of the railways but with workers' participation in control



welfare state in the immediate post-war period.

The second point is the marked absence of demands from the union movement for industrial democracy to be instituted as part of the wider *quid pro quo* terms of the bail-outs. Unions like Unite and the GMB have only called for “no redundancies” or “no repossessions” and for an end to the bonus culture and offshoring, although Unite has been happy to support bonuses for all staff upon the repayment of the Northern Rock loan money. Unite then went on to launch a Social Contract for financial services by which is proposed that it must be recognised as a key stakeholder and that there should be job security for finance workers, limiting of outsourcing and offshoring, protection of finance workers’

terms and conditions of employment, and giving the union a role in a new regulatory regime via regulatory bodies. Other unions have called for financial aid to the poor and more money for public services.

While these demands are appropriate in terms of marking out a wider agenda and for the constituencies of particular unions (finance sector/non-finance sectors), their general timidity reflects both the ideological drift to the right in the last twenty years and tactical considerations (that is, making demands from within “the tent” that are not too extreme to be dismissed). So not one union has said, for example: “Our price for supporting the bail-outs is worker directors or public

representatives on the board in each bank that takes public money”. But underlying both ideological drift and tactical considerations must surely be the implicit recognition that unions within and without Labour *seem* in little position to enforce their demands through popular mobilisations. Of course, this is a chicken-and-egg situation, in that, without trying to mobilise collectively, it is not clear that such attempts would be destined to failure.

Yet if union renewal is to begin, then such demands for workplace democracy cannot be junked – only to be introduced at some later, more favourable, date in the future. This would be an abdication of responsibility and indicate a poor understanding of the role of unions as forms of human

agency. At a time of political flux, and with talk of the need amongst the ruling classes for a new financial regulatory settlement, now is the moment for demands to start circulating.

But the essence of the demand for industrial democracy must be fashioned in a way that takes account of the legacy of the largely discredited past nationalisation – *vis-à-vis* economic inefficiency, poor service provision, control by civil servants and the like – and links into popular mass consciousness by being ahead of it – but not too far ahead of it. If we are to talk of public ownership or nationalisation, the unions must be talking about enterprises which become services – that is to say it is not only the way that they

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work and operate that needs changing. Change must also include the purposes of these organisations. In other words, the articles of association or constitutions must also be changed so that need and not profit is the guiding light and rationale. If the balance of both leading and following the aspirations of workers and citizens – that is articulating, focusing and organising ideas and sentiments – is not struck then progress will not be made.

Unions and the left would do well here to study the experiences of ASLEF and the RMT union as the leading unions which have successfully championed the demand for a return of the railways to public ownership with debate on what form this should take. Arguably, the RMT has gone further for, in a pamphlet produced jointly with the Scottish Socialist Party in 2005,² a model of a future structure of ownership and control for the industry was outlined, which showed some innovative thinking in terms of the role of railway workers and the travelling public. Essentially, it proposed that a third of the board of what is Scotrail should be comprised of rail union nominees, a third the travelling public and a third local authorities.

Choices and options

In terms of what ideas and demands to advance, we have a few to choose from. At the bottom end of the spectrum, we have the continental European version of compulsory consultation, where management is obliged to engage with workforce representatives on issues outside the normal ambit of collective bargaining. This form of consultation is more than just about giving the workers their say and then blithely being able to ignore it. But consultation is not negotiation and it is not a serious positive infringement on the right to manage in the

workplace or to make executive decisions on investment and strategy.

Next comes co-determination or workers' participation where workers have a stronger say in how businesses are run at all levels. But having a say is not tantamount to having parity of influence and power. Decisions may be vetoed but this is vetoing decisions of capitalists rather than taking the initiative to take pro-active decisions on socialising the purpose and outcomes of the enterprise's activities.

After that the next levels would be workers' control where managers are fully accountable to workers or where workers become the managers through self-management. In any of these cases, it would be wise to consider what role the citizens and consumers of these goods and services should play so that potential conflict between consumers and producers is productively and consensually managed.

For workers' participation to be effective and meaningful, its scope must be both of considerable depth and breadth. Depth concerns the degree or extent of influence over any one issue while breadth refers to the array of issues that are subject to participation. Not only must this be true at the shop-floor workplace level but it must also be true at the higher internal levels within organisations such as divisional, headquarter and parent levels. If it is not, then workers will find that in attempting to exercise joint control over issues at the shop-floor level, they are acting within a framework already set out by senior management, thus reducing their ability to act and gain the outcomes as they wish. Another prerequisite is that participation for workers is based on their collective involvement organised through permanent, independent and democratic

collective associations. This is because it is only through workers combining with each other that they can increase their power resources to represent their interests.

Although making the choice of what to demand must be a matter for democratic and collective discussion within the labour movement, two points would seem to be incontrovertible. First, whatever goal is chosen, it should be allied in the first instance to the extension of collective bargaining – whereas, in the banks that have been given bail-outs, collective bargaining has been narrowed down through the use of performance-related pay, and eroded and superseded by consultation through partnership deals. Second, in order for the demand for industrial democracy to strike as deep a chord with as many workers as possible, it should be part of a wider vision of socialising and democratising the economy through some kind of alternative economic strategy (see below).

Building consciousness and capacity

An underlying premise of this article has been that we will not see in Britain anytime soon the kinds of factory occupation and takeover that have been witnessed in a number of Latin American countries in the last decade. Consequently, the perspective has been one of trying to examine the issue of gradual, encroaching control on the capitalist economic system. Thus, the issues concerning what type of participation is preferable, as well as having a dose of realism about them too – whether for industrial democracy or popular democracy in general – should focus on those which maximise depth and breadth, which support rather than undermine existing working class organisations and which are not self-limiting. This last point is very significant since

the left must favour those means and mechanisms that raise upwards the collective aspirations, consciousness and capacities of workers to go beyond where they currently are in order to make headway towards the creation of a socialist society. In this sense, the mechanisms would have a transitional capability. Consequently, mechanisms that are self-limiting should be rejected in favour of those that are potentially self-expanding because the key objective is to develop workers' capacity and consciousness to struggle collectively for greater control over management and employers (and thus – and then – state and society).

Point of departure: worker directors

Current calls for public ownership, workers' control or nationalisation are all well and good on one level – mainly that of a propaganda level. But their obvious weaknesses are several-fold. One is that the calls are made upon the government when it is clear that the government will not act in this way. Calls for the government to do this or that do not specify a role for the unions or workers in terms of how to exert pressure on the government. But more importantly, such calls are bereft of envisaging what form this public ownership might take in terms of what an enterprise under public ownership would look like and how it would function. It is simply not enough to say that workers would run it because it begs the question "But how would they run it?" In other words, the notion of workers' self-management is woefully thought out.

So, given where workers – even the most advanced workers – are "at" in terms of their consciousness, raising the demand of worker directors would seem to be appropriate for the situation at the moment. It would represent a more realistic and



credible demand to be made; and one that could be made by the unions themselves upon employers and government that could potentially prefigure fuller workers' control. But raising such a demand for worker directors cannot be done without reflecting on the past experience and debates on worker directors in the 1970s. Employers resisted their development but that is not enough to recommend them to unions.

The dangers of having worker directors on the boards of conventional capitalist companies are several. These include the incorporation of worker representatives into the ideology and agenda of the employer through attitudinal restructuring whereby a process of socialisation leads workers to see "things" the way the company does – or at least to see that there is no option but to run the company as the company suggests. But these dangers also include restrictions, by dint of issues of confidentiality and commercial sensitivity, on worker representatives' rights to act as mandated delegates and to divulge information. Another is that worker representatives become too distanced from those they represent by becoming permanent worker representatives or not being held answerable and responsible to those constituencies they represent by virtue of poor systems of democratic participation and accountability.

There are ways around these problems. Technical and ideological support and training can be put in place through unions to inoculate worker directors from these dangers as can systems of robust mandating and accountability. Thus, worker directors could be recallable, and election – rather than selection – can be through means of direct democracy. The holding of the office of worker director can also be

subject to mandatory rotation. If these systems are put in place, the benefits to workers of worker directors can be realised. And, these benefits cohere around being able to open up a new front against employers where unions and workers are in full possession of the plans employers have and the rationales for these. Thus, unions should be able to conduct more successful collective bargaining and mobilise members more easily because they are not only forewarned in order to be forearmed but they are in possession of the full range of information. This is reminiscent of the old demand to "open up the company books".

Of course, unless the number of worker directors moves from being a minority to the majority on a board, then the focus of what workers and unions can do with this information remains outside the boardroom rather than within it. The limitations of working in a minority and within the confines of a capitalist enterprise highlight the restrictions that are inherent in the current conception of worker directors. But these can be used by unions to agitate for greater worker rights and control because the process of establishing and operating worker directors can be used to help raise more advanced worker consciousness and demands when they are allied to worker struggles. In this sense, worker directors can be a transitional means to realising further and greater workers' control rather than becoming the end of a crusade for it. In other words, worker directors can be a means to an end – not an end in themselves.

Nationalisation

Social or public ownership – rather than nationalisation – cannot be a knee-jerk reaction by the left to the current recession as a way to save jobs. It has to be used as a more thought-out and strategic

option. The reasons for this are twofold. Firstly, there is the issue of whether there is a long-term viability and desirability to some of the jobs, in terms of the industry or company in which they are found, as well as whether the jobs are worth saving. So there is little point in taking into public ownership a company that produced something of which there is a glut and whose products (and their usage) are environmentally destructive. Similarly, there would seem little point in protecting low-paid, low-skilled jobs. Rather, the resources that would have been invested here can be invested in job creation in areas that are of strategic importance and of benefit like green technologies for energy generation and transport – to provide decent jobs, through retraining, for those made redundant. Second, and because capitalism is unplanned and uncoordinated, taking into public ownership those enterprises that go bust risks replicating and maintaining this unplanned nature of the economy. Society needs to decide in a planned and coordinated manner what should be done and how – without starting from the only point of what we have and where we currently are.

Part of a wider plan

Capitalism has always been subject to booms and slumps because it is characterised by three dominant features – i) it is unplanned and uncoordinated; ii) it is about competition, not cooperation; and iii) it is based on profit, not need. This all comes together when capitalists rush to invest in plant, machinery and so on because they think there are huge profits to be made; and then, because all capitalists are investing, demand for all manner of things (concrete, steel, computer chips, finance, labour) makes the prices and costs rise, so that the amount

of profit to be made decreases. Then demands starts to slacken, and capitalists stop investing – further compounding the contraction – because they do not think high enough profits will be made. This is essentially how capitalism goes from boom to bust, representing a crisis of overproduction. That is the story of 1992 to 2008 in Britain, where the growing gap between the real economy and the financial economy has become more marked. In essence, the deregulation of the economy under neo-liberalism has made all these tendencies more pronounced because there are fewer and fewer controls on capital.

In recognition of this and the inequalities of wealth and power that capitalism brings forth, demands for workplace democracy cannot make any significant headway unless they are part of an integrated, overall plan for a socialised economy. This is because the realisation of worker directors requires an overall mobilisation of workers with progressive demands, as well as the demand that worker directors will need support from compatible mechanisms and processes outwith individual employers and boardrooms. If unions are to inspire workers to struggle for more, they will need to present them with an overall vision based on workers as workers, citizens and consumers.

The current crisis of neo-liberalism and capitalism offers the unions opportunities to turn events into advantageous situations, even if that means waging an ideological struggle rather than a physical material struggle – hopefully the one can follow the other. ■

1. K Marx and F Engels, *Manifesto of the Communist Party*, in K Marx and F Engels, *Collected Works*, Vol 6, p 487.
2. A Combes, *Reclaim our Railways*, Foreword by Bob Crow, RMT and Scottish Socialist Party, <http://www.scottishsocialistparty.org/pdfs/railpamphlet.pdf>

BOOK REVIEW

China's global strategy: towards a multipolar world

Review by Kenny Coyle

JENNY CLEGG'S new book is a must-read for anyone interested in China's emerging role on the global stage. More specifically, it is an essential counterweight to both the right-wing anti-China lobby and the sizeable number of confused liberals and sadly some misdirected leftists for whom China has become Enemy Number One.

The unsuccessful attempts to derail the Beijing Olympics last year are a portent of much more to come. From Darfur to Lhasa, from global warming to contaminated foodstuffs, there is a plethora of campaigns and causes that target China and, rather handily, take the heat off Western imperialism's continuing military aggressions and the discredited culture of corporate chaos and greed.

In this book there is a brief but very helpful discussion of debates among the Western left about globalisation and imperialism.

Clegg dispels a fair few myths that risk taking hold. First, she refutes the view that China's growing trade relationships with developing countries are the signal of the rise of a

new imperialist power. She shows quite convincingly that China's role is considerably more constructive, more mutually beneficial and without the political strings that come with "Western aid" or IMF-sponsored structural adjustment programmes.

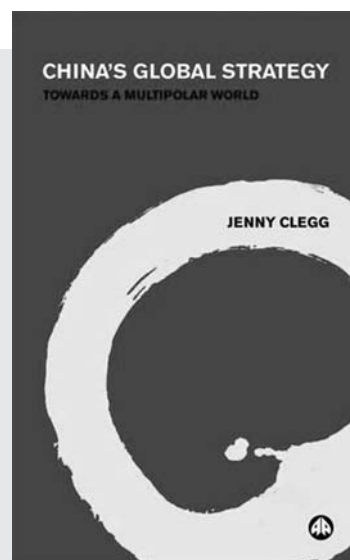
Clegg effectively demolishes the argument, current among many progressive people, that China is a "resource colonialist" or represents some kind of military threat to its neighbours.

If a poverty-stricken backward country could, within the space of half a century, establish itself as a major imperialist power, this would surely demand a very substantial rethinking of capitalism's dynamism or even basic Marxist assumptions about development and imperialism. As it stands, "socialism with Chinese characteristics" represents more than enough of a debate that Clegg wisely does not allow to divert her from her key topic.

The second strength of the book is in the understanding of how the world looks from the Chinese perspective. China is still a poor,

China's global strategy: towards a multipolar world

BY JENNY CLEGG
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developing country. Its government's main concerns are to maintain continually rising living standards and to tackle the serious issues of social and regional inequality that have arisen over the past decades since the opening-up reforms began in 1978.

Abandoning its earlier ideologically driven foreign policy, China now promotes a steady position of non-interference in the political and social systems of other states, provided of course those states take a reciprocal stand. This is especially true when it comes to the issue of diplomatic recognition of Taiwan or the treatment of the Dalai Lama as some kind of exiled head of state.

Above all, the book rejects the sneering tone of much Western writing about China, which is almost a reason in itself for welcoming her work.

The book does have one weakness, I felt - namely that it does not sufficiently look at previous Chinese foreign policy strategies and the reasons why they were progressively altered or abandoned.

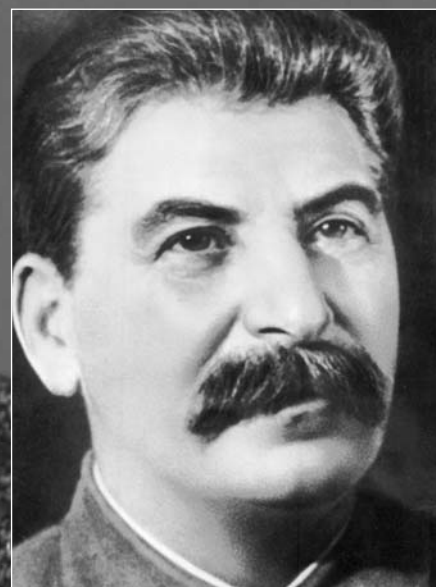
In particular, when handling Sino-Soviet differences, Clegg appears

overly sympathetic to the Chinese positions, without sufficiently acknowledging that these often ran counter to both China's long-term interests and the more immediate need to present a united front against US imperialism. Chinese positions on the Soviet role in Afghanistan, its war with Vietnam and support for the Pol Pot forces are obvious examples, but one could look further afield at Chinese positions during the Angolan civil war and its support for "second-world" regimes in the face of the "two superpowers".

This is not to say that the Soviet Union was blameless but some kind of balance sheet is necessary. After all, it was the collapse of the Soviet Union and the European socialist countries that created the "unipolar" world that China must strive to struggle against.

These marginal criticisms aside, Clegg has done the British left an enormous favour in writing a readable, accessible and solidly researched analysis of China's "peaceful rise". This is a book that should be read and promoted as widely as possible. ■

Stalin's Philosophical and Political Testament



above: Joseph Stalin
main photo: Hans Heinz Holz
right: British Prime Minister Winston Churchill, U.S. President Franklin D. Roosevelt, and Stalin at the Tehran Conference, November 1943.

By Hans Heinz Holz

**Contribution to the
Naples Meeting on
“Problems of the
Transition to Socialism
in the USSR”
(21-23 Nov 2003)¹**

LENIN ALWAYS ASSERTED that Marxism is not a dogmatic system of rigid propositions. On the contrary, Marxism, as a theoretical method, follows the changes of real relationships and thereby draws conclusions for political practice. Dialectics is that form of theory which describes, in the variety of its elements and factors, the connectedness of totality – which in time changes the basis of the regular development of those elements and factors. Dialectical materialism, through its general ontological² suppositions, is essential for producing new interpretations of the truth. Every theory, in fact, is an interpretation of a state of described fact.³

Stalin's two late articles *Marxism and Problems of Linguistics* (1950) and *Economic Problems of Socialism in the USSR* (1952), should be examined precisely from this perspective. Starting with a reflection on a real contemporary circumstance, these articles elaborate a new situation, either socio-economic or ideological and scientific-historical. Because he died in 1953, Stalin did not have the opportunity to translate his thoughts into practice, and thus the articles turn out, so to speak, to be his theoretical testament.

In Khrushchev's counter-revolutionary criticism against Stalin and in the stagnation period which followed it,⁴ the concerns that derived from those articles were set aside and did not impact on the development of Marxist theory. However, I consider that the articles contain a theoretical heritage which has not been refuted and which is worth re-establishing. Here I limit myself to the scientific and ideological initiatives which, concerning problems of Marxism, refer to linguistic science.⁵

It seems to me that Stalin's propositions are defined by three key aspects: (1) the structural description of the relationship between being and consciousness – thus an expression of Marxist ontology; (2) the destructive criticism of certain scholastic, dominant propositions in linguistics, belonging to the school of Marr,⁶ and the re-launching of the discussion around phenomena, *ie* a signal for resuming scientific research in controversial matters; and (3) the pillorying of the bureaucratic approach which affects every command system, as well as a kick-start to shaping the organisational direction of activity, whether of the Party or the State.

In considering these aspects, I accept as justified the supposition that it was Stalin's intention, after the victory in the

Great Patriotic War and the stabilisation achieved in the first post-war years, to guide the Soviet Union to a new phase of socialist construction. His death caused this process – divined by only a few – to sink into oblivion. As a result of the XX Congress of the CPSU, Stalin's works were subjected to a tacit taboo, which contributed, from an ideological point of view, to the theoretical decline of relevant Soviet social sciences.

But now let us proceed to examine in detail the aspects of the argument on Marxism and linguistics.

The fundamental model of the relationship of being with consciousness is represented in Marxist philosophy by the relationship between base and superstructure. Historical materialism explains the basic proposition "*being determines consciousness*" as follows:⁷



economic relationships (or relations of production, in which Man realises his own "*organic exchange with nature*", *ie* the reproduction of his life as an individual and species) constitute the base, whose formal determination produces the superstructural forms that are adapted to it – the judicial order, the contents of the world-view, art, morals, religion, *etc* – as ideal reflections, which in turn can become objective reality in, *eg*, institutes and material processes (works of art, scientific research, sporting contests, *etc*). Through this mediation the superstructure also has an effect on the base: in fact, it is conditioned by it, and changes with it and in dependence on it, in the various historical stages.⁸

This outline suffices as the basis of a theory of ideology and allows enough differentiation for considering the multiplicity of historical phenomena.⁹

Given the growing importance of

science as a productive force, a major problem had arisen in that the contents and forms of consciousness (*eg* natural intelligence, mathematical relations, logical assumptions), which originate through superstructural activities and thereby often emerge contaminated with ideological representations, conserve their value independently of changes in the base.

The relationship between absolute truth, relative truth and ideology in many cases ought not to be defined via limiting terms with a single meaning. The ontological status of a logical principle (*eg* that of identity), a mathematical regularity (*eg* the sum of the angles of a triangle) or a natural constant must receive its own explanation in a materialist system: for all these problems, the

base/superstructure relationship is inadequate for an elaborated philosophy of dialectical materialism.

In relation to these problems which had been accumulating, a decisive step in the theoretical development of Marxism was taken by Stalin when – in relation to a paradigmatic case – he called into question the linearity of the base/superstructure relationship.

At the outset, language offers the image of historical variability and a dependence on social circumstances. Vocabularies exhibit changes of meaning, which reflect variations in work processes, technical innovations or social modifications. For example, in German the sense of the word *Netz* (*net*), deriving from the meaning of fishing-net, widens to mean a telephone *network* and then a *network* of interactive flows of information; while the word *Frau*, originally meaning *a lady of standing*, has

passed to that of *female*, ie person of the feminine gender.

There are jargons, linked to specific environments or professions, or indeed special languages. There are ways of speaking, strictly linked to brief temporal moments and destined to die with them. There is cultivated language alongside spoken language and regional dialects. In brief, we have multiple linguistic phenomena which we can count as superstructural and which may be cited in relation to specific developments in the production relations: this is the phenomenological basis of the linguistic conceptions of the school of Marr, ie the conception according to which language is studied as an expression of the superstructure.

Given that, it is theoretically significant that Stalin actually remarked on the inadequacy of the base/superstructure scheme in the case of linguistics. He asserted in a pithy manner:

“Every basis has its own corresponding superstructure. ... If the basis changes or is eliminated, then, following this, its superstructure changes or is eliminated; if a new basis arises, then, following this, a superstructure arises corresponding to it.”¹⁰

To exemplify how language differs, Stalin turned to the case of Russian:

“To a certain extent the vocabulary of the Russian language has changed, in the sense that it has been replenished with a considerable number of new words and expressions, which have arisen in connection with the rise of the new socialist production, the appearance of a new state, a new socialist culture, new social relations and morals, and, lastly, in connection with the development of technology and science; a number of words and expressions have changed their meaning, have acquired a new signification; a number of obsolete words have dropped out of the vocabulary. As to the basic stock of words and the grammatical system of the Russian language, which constitute the foundation of a

language, they, after the elimination of the capitalist basis, far from having been eliminated and supplanted by a new basic word stock and a new grammatical system of the language, have been preserved in their entirety and have not undergone any serious changes – they have been preserved precisely as the foundation of the modern Russian language.”¹⁰

Stalin established four characteristics of language which differentiate it from the superstructure:

- constancy of the fundamental inherited vocabulary and grammatical structure, going beyond the limits of the economic base;
- language’s origin out of the whole historical development of society, rather than from one or another economic base;
- the function of language as an instrument of comprehension, cutting across classes;
- the immediate link of language with production.

From this it follows that, with language, not only do we face a phenomenon which is distinct from the base and the

superstructure, but also that this phenomenon – from the logical and ontic¹¹ point of view – ought to be regarded as constituting itself out of a historically determined formation and undergoing self-development.

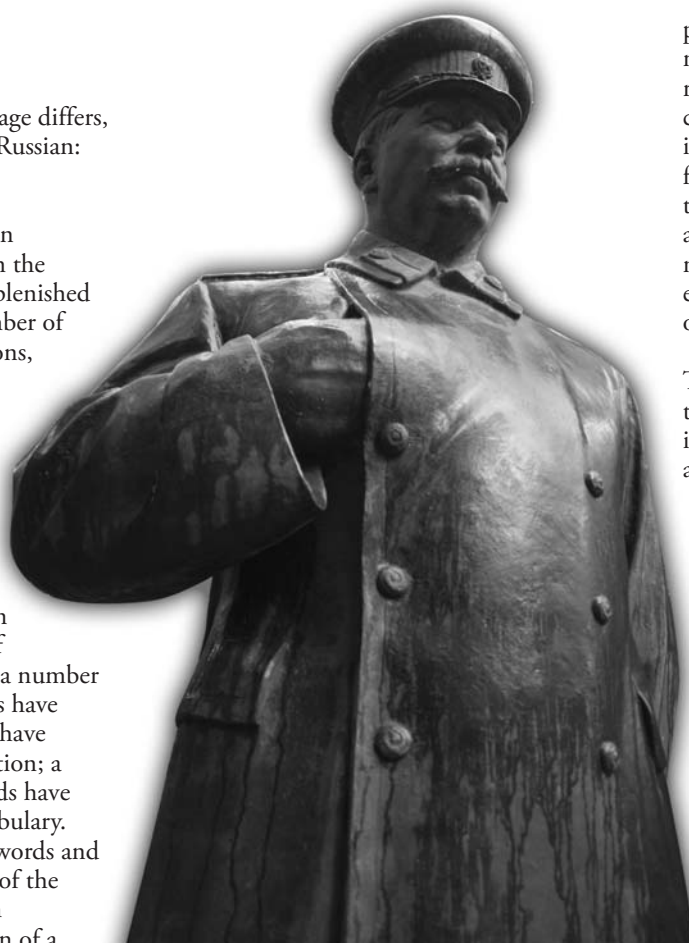
“Exchange of thoughts is a constant and vital necessity, for without it, ... the very existence of social production becomes impossible. Consequently, without a language understood by a society and common to all its members, that society must cease to produce, must disintegrate and cease to exist as a society. ... Language is one of those social phenomena which operate throughout the existence of a society.”¹²

The base/superstructure scheme is a structural model of social relations. In accordance with Marx, Engels and Lenin, Stalin demonstrated that this metaphor cannot be understood in the sense of a one-directional relationship between levels, of a cause-and-effect type of relationship, since in reality it also includes a relation of mutual influence.¹³

“Further, the superstructure is a product of the basis but this by no means implies that it merely reflects the basis ... On the contrary, having come into being, it becomes an exceedingly active force, actively assisting its basis to take shape and consolidate itself, and doing its utmost to help the new system to finish off and eliminate the old basis and the old classes.

“It cannot be otherwise. The superstructure is created by the basis precisely in order to serve it, to actively help it to take shape and consolidate itself, to actively fight for the elimination of the old, moribund basis together with its old superstructure.”¹⁴

In this simplicity, in which the effective reaction of the superstructure on the base is sustained, there appears to be a hidden banality. But all those aware of the controversies over the role of the superstructure would have to recognise that in Stalin’s proposition the quintessence of the scheme is made clear, against all sideslips of the argument. The orthodox is self-understood.



But Stalin's thesis goes further.

"In brief, language cannot be included either in the category of bases or in the category of superstructures.

"Nor can it be included in the category of 'intermediate' phenomena between the basis and the superstructure, for such 'intermediate' phenomena do not exist."¹⁵

So neither base nor superstructure and not even an intermediate category – which cannot signify otherwise than that there is something real which is not adequately expressed by a metaphor drawn from architecture. Language as a means of exchange is seen as analogous with the means of production. As a presupposition of social production, language as in everything is a productive force (mentally) which allows science to be turned into a productive force and to function as a medium of the structural phenomena, as the bearer of thoughts.

Intertwined with every other ambit of the social being, language is an ideal construction in which material relations are represented and which, on the other hand, is itself a material relation, because of the process of constitution of the universal reality.¹⁶

In the functional description of language, every reality, which Hegel called "objective spirit",¹⁷ becomes understood as a "material relation", whereas *mechanistic* materialism from the outset does not recognise it as a material activity (objective activity). This demonstrates, in relation to language, an essential constituent quality of dialectics.

At this point we should establish an indirect link with Gramsci's criticism of Bukharin. The section of Gramsci's Prison Notebook XI dedicated to Bukharin's *Popular Manual*¹⁸ constitutes an acute, and in many aspects, successful charge against a mechanistic approach to causality; but at the same time represents an oration in favour of dialectics as the form of the real historical process. The central question which Gramsci poses is as follows: "how does the historical movement arise on the structural base?"¹⁹

It is exactly in this sense that Stalin rescued the life of language from the

“

It is generally recognized that no science can develop and flourish without a battle of opinions, without freedom of criticism.

”

"I am not a linguistic expert and, of course, cannot fully satisfy the request of the comrades. As to Marxism in linguistics, as in other social sciences, this is something directly in my field."²⁶

With this he evidently referred to the philosophical system, which embraces more than a single topic area. Nevertheless, this observation still does not clearly explain the (perhaps for him) spectacular intervention of the head of the party into a scientific discussion.

In reality, Stalin's propositions do not remain simply at the level of an ontological system; they also represent a criticism of the practice of scientific research in the USSR and thus concern themes of social organisation.

To understand the intention behind this intervention in the linguistic discussion, we also need to bear in mind Stalin's subsequent work, *Economic Problems of Socialism in the USSR*.

It is highly likely that the problem put to Stalin had been agreed with him in advance – as happens elsewhere when people in positions of responsibility are interviewed. The question about the appropriateness of an open discussion in *Pravda* gave Stalin the opportunity of making himself understood with indubitable clarity.

"The discussion ... has brought out, in the first place, that in linguistic bodies both in the centre and in the republics a regime has prevailed which is alien to science and men of science. The slightest criticism of the state of affairs in Soviet linguistics, even the most timid attempt to criticise the so-called 'new doctrine' in linguistics, was persecuted and suppressed by the leading linguistic circles.

Valuable workers and researchers in linguistics were dismissed from their posts or demoted for being critical of N Y Marr's heritage or expressing the slightest disapproval of his teachings. Linguistic scholars were appointed to leading posts not on their merits, but because of their unqualified acceptance of N Y Marr's theories.

"It is generally recognized that no science can develop and flourish without a battle of

mechanical base/superstructure statement and submitted the rigid scheme to the dynamics of historical movement – without, however, diminishing the explanatory power of the scheme in relation to the construction of the social edifice.

Gramsci criticised Bukharin, underlining how the *Popular Manual* "contains no treatment of any kind of the dialectic."²⁰ Marxism, he said, exhibits a philosophy which "goes beyond both traditional idealism and traditional materialism, philosophies which are expressions of past societies, while retaining their vital elements."²¹ On the contrary, Bukharin places himself in continuity with the old *metaphysical* materialism.

It seems to me that these statements of Stalin, in *Marxism and Problems of Linguistics*, may be located in the context of an elaboration of a dialectical-materialist philosophical conception,²² which has its other nodal points in Lenin's *Conspectus of Hegel's Science of Logic*²³ and in Gramsci's *The Study of Philosophy*.²⁴

That may suffice for philosophy. However, an adequate conception of dialectics, which treats it not as a special case of logic, but rather as the constitutive principle of a world-view – according to the correct and clear Gramscian conception – is the theoretical equivalent of correct political action; and it is in this sense that we must judge Stalin's reflections on *Dialectical and Historical Materialism*.²⁵

Notwithstanding the ideological significance of the linguistic problems, we may permit ourselves to wonder at the fact that Stalin would bring his authority into play in a discussion so politically peripheral. Moreover, he demonstrated that he had no intention of entering into linguistic territory, for which he certainly did not have competence; rather, what interested him were certain fundamental questions of Marxism.

opinions, without freedom of criticism. (emphasis HHH)

But this generally recognised rule was ignored and flouted in the most unceremonious fashion. There arose a close group of infallible leaders, who, having secured themselves against any possible criticism, became a law unto themselves and did whatever they pleased.²⁷

It was necessary to quote this text in full in order to throw light on the potential impetus which Stalin was trying to give to public life. The situations which he judged out of order were certainly not specific to a particular scientific discipline, but rather had spread into every area of society as a result of bureaucratisation of State and Party activity. In the construction of the socialist economy, which had been completed in an increasingly centralised manner and under the pressure of time, a certain degree of bureaucratisation was probably inevitable. The fact that this process may have assumed hypertrophic proportions may be attributed to the particular conditions in which Soviet socialism was constructed. In this text Stalin could certainly not discuss the problems linked to that, but they nevertheless required an analysis.²⁸

The forcefulness with which Stalin expressed himself appears to signify that he had understood the urgency of the problem and that he judged the time had come for him to intervene in order to modify the situation. His very choice of words signifies that it was not just a question of a collision between scientific schools. Stalin spoke of an “Arakcheyev regime”,²⁹ referring to an official of the reactionary Russian state at the time of the Holy Alliance, who – analogously to Metternich but in a still harsher fashion – constructed a despotic military and police regime without any impediment. Clearly, it would have been out of all proportion to use the name of Arakcheyev if it were just a matter of relations between academic institutions.

To account, with one word, for the provocative and somewhat embittered tone and for the paradox, let us observe this: Stalin gave the signal in favour of a process of social change which, if we wished to have recourse to the journalistic jargon promoted after the XX Congress, we could call *destalinisation* – an expression, however, false and deviant.

The intervention on consolidated personal and organisational structures, despite the danger of deep shocks to the

still weak Soviet society in the post-war period, was nevertheless a favourable measure for smoothing out the passage to another phase of socialist construction. By engaging in discussion in a scientific area, marginal from the social-political standpoint, Stalin was able to give a starting signal to prepare, with diligence and consciousness, for a change of relationships and to provide space for new conceptions in collective work.

I am aware that the primary objection with the cited texts is that nothing subsequently happened to demonstrate their effective validity. Major historical hypotheses have precisely this status of conjecture. But the text on Marxism and linguistics ought to be judged in relation to the 1936 Constitution and, with this, the hypothesis that after the tensions of the period of the war, forms imposed by the exceptional period had to be abandoned and that a start towards a situation characterised by lesser social confrontations should be sought.³⁰ Such an interpretation allows a differentiated analysis of the period, rather than the customary version, which describes everything in black and white, *ie* with rigid oppositions.

To be conclusive, we still need to establish the parallel between this article and that of two years later, *Economic Problems of Socialism in the USSR*. Naturally, I am not interested in making a comparison with the economic-political content, which perhaps would be a detailed survey. However there are clearly recognisable signs that a new style in public controversies and the maturation of judgments was operating. At the first level, the theme was the production of a manual of political economy – economic and socio-political conceptions and strategies are expressed in the article’s theses. But now the problem was no longer one of breaking institutionally hardened forms of bureaucratic stagnation, in order to foster the prize of critical judgment.³¹ Rather, it was a question of formulating a plan, theoretically more correct and conceptually clear, for the practical matter of building socialism.

The polemical tone, which at times breaks through in the article on linguistics, is totally lacking in the economic treatise. There, by contrast, Stalin stated expressly:

“During the discussion some comrades ‘ran down’ the draft textbook much too assiduously, berated its authors for errors and



oversights, and claimed that the draft was a failure. That is unfair. Of course, there are errors and oversights in the textbook – they are to be found in practically every big undertaking.”³²

It is only in his response to Yaroshenko that Stalin appears ironical and violent – reproaching him harshly for having proposed again some of Bukharin’s errors. (Anyone reading this article, but with an eye turned to subsequent historical developments, can catch in the repudiation of Yaroshenko a glimpse of a down-payment on criticism towards Krushchev.) The observation of contradictions between productive forces and relations of production also under socialism implies an opening towards the cancellation of the differences – and in the argument there is also an open criticism on Stalin. But he observed expressly:

“I think that in order to improve the draft textbook, it would be well to appoint a small committee which would include not only the authors of the textbook, and not only supporters, but also opponents of the majority of the participants in the discussion, out-and-out critics of the draft textbook.”³³

A society directed from acquaintance with scientific socialism is not born at a stroke. It presupposes people who constantly widen and deepen their cultural horizon, in order to be able to maintain the general interests and to take history into their hands. This would happen if authentic democracy were effective for the first time. To this end let us quote Stalin again:

“It is necessary ... to ensure such a cultural advancement of society as will secure for all members of



society the all-round development of their physical and mental abilities, so that the members of society may be in a position to receive an education sufficient to enable them to be active agents of social development ... It would be wrong to think that such a substantial advance in the cultural standard of the members of society can be brought about without substantial changes in the status of labour. For this, it is necessary, first of all, to shorten the working day to at least six, and subsequently to five hours. This is needed in order that the members of society might have the necessary free time to receive an all-round education. It is necessary, further, to introduce universal compulsory polytechnical education, which is required in order that the members of society might be able freely to choose their occupations and not be tied to some one occupation all their lives. It is likewise necessary that housing conditions should be radically improved, and that real wages of workers and employees should be at least doubled, if not more, both by means of direct increases of wages and salaries, and, more especially, by further systematic reductions of prices for consumer goods. These are the basic conditions required to pave the way for the transition to communism.”³⁴

With an eye turned to a developed socialist society, from which communism can be generated, Stalin’s theoretical work concludes. If we want to honour the many who have fallen in the fight for socialism and communism, then we must not allow this heritage to be scattered. ■

Notes

- 1 Translated from *Il testamento filosofico e politico di Stalin* in A Catone and E Susca (Eds), *Problemi della Transizione al Socialismo nell’URSS*, La Città del Sole, Napoli, 2004, and available on the web site <http://www.pasti.org/holz.html> –Ed.
- 2 = concerned with the nature or essence of things –Ed.
- 3 cf A Hüllingshorst, *Lenins Hegels-Interpretation: Ausblick auf eine materialisch-dialektische Interpretationstheorie (Lenin’s Interpretation of Hegel: View on a Dialectical Materialist Interpretation Theory)* in *Topos* 22: “Lenin”, 2003, p 73.
- 4 See K Gosswiler, *Die Taubenfuß-Chronik oder die Chruschtschowjade (The Pigeon-Foot Chronicle or the Khrushchev Process)*, Monaco 2002.
- 5 For the international echoes of these articles, it is important to note the immediate and spontaneous positive reaction of linguists. With regard to Germany, one should remark on the positive reaction of Werner Krauss, well-known scholar of Roman civilisation, whose high competence, philosophical clarity and political sensibility are certainly irreproachable. cf W Krauss, *Das Wissenschaftliche Werk (Scientific Works)*, Berlin, 1984.
- 6 Nikolay Yakovlevich Marr (1865-1934), Georgian-born historian and linguist whose Japhetic theory of language, and related hypotheses, formed the dominant Soviet linguistic position until 1950. For further information, see http://en.wikipedia.org/wiki/Nicholas_Marr –Ed.
- 7 See also M Davis, *What is Historical Materialism?*, this issue –Ed.
- 8 On the connection between base and superstructure, cf: O Kuusinen et al (eds), *Fundamentals of Marxism-Leninism*, Lawrence & Wishart, London, 1961, p 150 ff; A Sheptulin, *Marxist-Leninist Philosophy*, Moscow, Progress Publishers, 1978; F Tomberg, *Basis und Überbau*, Sozialphilosophische Studien, Darmstadt/Neuwied, 1974.
- 9 On the theme of a theory of ideology, cf: A Mazzone, *Questioni di teoria dell’ideologia*, Messina 1981; various authors, *Erkenntnis und Wahrheit (Recognition and Truth)*, Berlin, 1983; *Topos* 17, “Ideologie”, 2001.
- 10 J V Stalin, *Marxism and Problems of Linguistics*, Foreign Languages Publishing House, Moscow, 1954, p 8. (See also <http://www.marxists.org/reference/archive/stalin/works/1950/ju n/20.htm> – Ed.)
- 11 In philosophy, describing what is there, rather than its nature or properties – Ed.
- 12 Stalin, *op cit*, p 30.
- 13 cf, in the area of bourgeois philosophy, the “model of levels” which appears in N Hartman, *Der Aufbau der realen Welt (The Construction of the Real World)*, Berlin, 1940, and *Neue Wege der Ontologie (New Pathways of Ontology)*, Stuttgart, 1947.
- 14 Stalin, *op cit*, p 9.
- 15 Stalin, *op cit*, p 48.
- 16 H H Holz, *Sprache und Welt: Probleme der Sprachphilosophie (Language and the World: Problems of the Philosophy of Language)*, Verlag Schulte-Bulmke, Frankfurt am Main, 1953, p 30 ff.
- 17 G W F Hegel, *Philosophy of Spirit/Mind*: see *Stanford Encyclopedia of Philosophy*, <http://plato.stanford.edu/entries/hegel/>, and the *Marxists Internet Archive*, <http://www.marxists.org/reference/archive/hegel/osindex.htm> –Ed.
- 18 N Bukharin, *The Theory of Historical Materialism: A Popular Manual of Marxist Sociology*, Moscow, 1921 – Ed.
- 19 A Gramsci, *Selections from the Prison Notebooks* (Q Hoare and G Nowell Smith, eds), Lawrence & Wishart, 1973, p 431.
- 20 Gramsci, *op cit*, p 434.
- 21 Gramsci, *op cit*, p 435.
- 22 On Lenin cf H H Holz, *Einheit und Widerspruch (Unity and Contradiction)*, Vol 3, Stuttgart, 1997, p 361 ff; for Stalin, cf H H Holz, *Stalin als Theoretiker des Leninismus (Stalin as a Theoretician of Leninism)*, in *Streitbarer Materialismus (Militant Materialism)* 22, May 1998, p 21 ff.
- 23 V I Lenin, *Collected Works*, Vol 38, p 129 ff.
- 24 Gramsci, *op cit*, p 323 ff. Holz refers to this as *Introduction to Philosophy* –Ed.
- 25 J V Stalin, *Leninism*, Lawrence & Wishart, 1940, p 591 ff.
- 26 Stalin, *Linguistics*, p 9.
- 27 Stalin, *Linguistics*, p 41.
- 28 On this cf H H Holz, *The Downfall and Future of Socialism*, MEP Publications, Minneapolis, 1992.
- 29 Stalin, *Linguistics*, p 42.
- 30 On the 1936 Soviet Constitution, cf H H Holz, *Leitline Realismus (Guideline Realism)* in *Junge Welt*, 24.11.2006, also at <http://www.kominform.at/article.php/20061124140618988> (the author cites instead his “contribution to the Convegno dell’Associazione Culturale Marchigiana, 31 May 2001”, but this is not readily available –Ed.)
- 31 Concluding the debate in *Marxism and Problems of Linguistics*, Stalin attenuated his criticism of N Y Marr and gave proof of his proper respect for the work of this great researcher (cf Stalin, *op cit*, p 54). Moreover Stalin attributed the responsibility for the stagnation to the “Arakcheyev regime”, mentioning it for the second time (p 55).
- 32 J V Stalin, *Economic Problems of Socialism in the USSR*, Foreign Languages Publishing House, Moscow, 1952, p 52.
- 33 Stalin, *Economic Problems*, p 52.
- 34 Stalin, *Economic Problems*, p 76.

Raising Consciousness

a partial reply to Jerry Jones

By David Grove

JERRY JONES can be relied on to stimulate a useful discussion. His article *Causes of the Current Economic Crisis* in issue 52 offers much matter for controversy. In his concluding remarks, Jerry states that “only an analysis based on Marx’s contribution...offers a truly comprehensive explanation...” So it is surprising that he makes no use of basic Marxist categories. Paradoxically, the only reference to the concept of value is in connection with so-called “land values”.

Jerry describes capitalist exploitation (though he doesn’t use the term) as “the appropriation of surplus labour”. Marx took the phrase “surplus labour” from the English pioneering economist William Petty.¹ It is a useful category because it can be applied to any social formation. Marx pointed out that under slavery or feudalism, where workers do not normally produce a commodity to be exchanged, the process of extracting surplus labour can be readily seen. A slave worked directly to produce use-values for his master. A serf performed his surplus labour on the lord’s land to create produce for the lord’s consumption. In both systems the exploitation of the worker is obvious.

Under capitalism, however, the process is concealed. And the concept of surplus labour doesn’t reveal it. As Jerry says, surplus labour is

the source of capitalist profit. *But they are not the same thing.* The worker produces commodities (be they goods or services) that have an exchange-value. To realise this value, the capitalist has to sell the commodities in the market, to convert them into money, and then to convert the money into capital. Surplus labour cannot be accumulated and invested; capital can be.

Marx set out to explain how this great money trick² comes about. Conventional wisdom has it that the worker is not exploited because he offers his services in a free market and accepts the wage offered by the employer. Jerry says “How much surplus labour is appropriated depends very much on workers’ bargaining positions, and the demand for labour”. These factors certainly influence variations in wages – but there are limits to the extent of their variation.

The lower limit is the cost of maintaining a worker and his family. This according to Marx is the value of the worker’s labour-power – his ability to work for a certain number of hours, which is what he actually sells to the capitalist. Like any commodity, the value of labour-power is determined by the amount of labour embodied in it; it is equal to the value of the commodities needed to sustain and reproduce labour-power.

Creation of surplus-value

But in a normal working day a worker can produce commodities of much greater exchange-value than the value of his labour-power. This is the secret of the creation of surplus-value, the source of the accumulated capital that Jerry rightly sees as the basis of the current crisis.

Marx took over and developed the labour theory of value elaborated by Adam Smith, Ricardo, and others. This states that the exchange-value of a commodity reflects the amount of labour needed to produce it. These early bourgeois economists did not know how to deal with the value of labour, which in terms of the theory is a meaningless concept. Marx solved that problem by showing that labour-power – the ability to work – and not labour itself is the commodity the worker sells, and that its value is determined, like that of any other commodity, by the amount of labour embodied in it.

The value of labour-power is socially determined. It cannot fall (except for a short time) below the value of a worker’s and his family’s subsistence, however weak his bargaining power. It has risen over the centuries of capitalism, partly as a result of trade union and political action, and partly because of the greater input of labour needed to produce the skilled,

educated labour-power required by developed capitalist economies.

At the same time, increased productivity has enabled workers to create more value in a typical working day, thus ensuring that capitalists continue to appropriate surplus-value. While organised workers can for a time raise the price of labour-power (wages and salaries) above its value, the owners of capital seize every opportunity to drive it back to its true value, ie to a socially determined subsistence level. We can see this happening all over the capitalist world today, as it has been happening in the USA for a decade.

In less developed countries, wages are lower than in advanced countries not just because of the weak bargaining position of the workers, as Jerry maintains, but mainly because the historically determined subsistence level is lower. This means that the exchange-value of labour-power is lower, and so the monopolies can extract more surplus-value and make super-profits.

At the root of this theoretical controversy is Jerry’s abandonment of the concept of *value*. This puts him in some dangerous company. He says that Marxist theories were “crowded out of the study of economics in colleges and universities”. But they were not. They were deliberately superseded by



various brands of “marginal” economics. These have devised ever more sophisticated ways of explaining the fluctuations of particular prices, but they have failed to analyse the dynamics of the turnover of capital, the basic law of the whole system.

So Marshall and Keynes have been preferred to Marx because their work never raised the awkward political questions about the source of profit and the nature of exploitation. The study of “Political Economy” was turned into mere “Economics”. Bourgeois thinkers abandoned the labour theory of value because in Marx’s hands it had become a weapon to be wielded by the working class. Sadly, Jerry Jones seems to have abandoned it too.

Why it matters

Is this sort of polemic a theological diversion from more pressing tasks? Is Jerry simply dropping outdated jargon and telling it like it is in plain English? Am I just indulging in an academic controversy with no implications for revolutionary

practice? I think not.

It seems to me that Jerry’s approach broadly corresponds to *trade union consciousness*, the level of understanding at which the working class is ready to fight for higher wages, better conditions, different government policies (like stricter regulation of banks, more generous pensions and benefits). All these are desirable gains, and they could mitigate the effects of the economic crisis. But none of them challenges the system that is the underlying cause of the crisis.

To raise the level of understanding to that of *political, socialist consciousness* requires Marx’s rigorous and penetrating analysis of the law of motion of capitalism: the creation and appropriation of surplus-value, followed by the accumulation and turnover of capital.

Central to a Marxist explanation of what is happening today is the tendency for the rate of profit to fall. For Marx this is only a tendency and there are countervailing factors. But the key issue is that of surplus-value. Marx sees that

the tendency for the rate of profit to fall is a result of technological advance. This reduces the amount of living labour-power (funded by Marx’s *variable* capital) – which creates surplus-value – relative to the steadily increasing amount of ‘dead’ labour embodied in materials and equipment (*constant* capital) – which create no new exchange-values.

The only escape, as Marx outlines in *Capital Vol III*, is for capital to reduce the relative or absolute cost of labour-power, ie to increase the rate of exploitation, or to export capital to regions where the rate of exploitation is higher, or to cut the labour replacement cost of fixed capital. This is why Marx sees capital as forced by its very nature into a continuing battle with labour. Crisis, the suspension of investment, will otherwise result. And for workers there is no escape except continuing struggle. When workers understand this, they see the need to fight not just for better wages but for an end to the wages system.

Understanding the nature

of surplus-value and the resulting tendency for the rate of profit to decline is the first step in analysing this crisis. As far as capital is concerned, profits are too low.

Workers are consuming too much. The second step is an understanding of how monopoly capital has responded. It was precisely the attempt to sustain the profits of finance capital through a grotesque regearing of bank capital that has brought the system to its knees. It is this crisis of profitability that our rulers are today busily resolving at the expense of working people. That is the contradiction.

What about the state?

I know that not every article on the causes of the current crisis can cover the whole complex field. But there is one aspect Jerry omits that seems to me vital to our grasp of what is happening. In his useful description of the financial mechanisms that triggered the crisis, Jerry recognises the role of governments in facilitating the property boom, encouraging the reckless gambling of the banks and financial houses, and permitting the escalation of debt. He says that “today’s governments, indoctrinated by neo-liberalism, acting as servants to the big transnational and financial corporations ... have allowed microeconomic theory to dominate economic policy”.

This formulation tends to obscure two important points. It is not just that all governments of capitalist countries have so far served big business interests, but that they are now effectively integrated with big business through the structures and practices of the monopoly capitalist state.³ As the crisis deepens, the issue of state power becomes more pressing. An economic and political system that can put an end to periodic crises will be built only when the working class and its allies have seized state

power. Marx's analysis of surplus-value is a powerful tool for winning working people to this perspective and so intensifying the class struggle.

The second point is that the neo-liberal economic theories that Jerry rightly castigates were not used by the state and the monopolists because they knew no better, but because at that time they were the most relevant theories to support *their* class struggle against the workers. Neo-liberalism underpinned privatisation, restrictions on trade union freedom, a "flexible" labour market, and the worldwide free movement of capital to the most profitable locations, including tax havens. To fight the battle of ideas, the ruling class always needs a theory that, while claiming to be rooted in contemporary reality, obscures the underlying truth of capitalist exploitation. This in recent years has been the role of "globalisation".

Raising consciousness

But Jerry is a socialist (though with a touch of syndicalism) and says that only an economy based on common ownership could avoid crises like the current one. To achieve this, he says, will require "a major ideological shift not only for governments, but also among people as a whole".

Surely Jerry has the priorities reversed. It is only to the extent that "people as a whole" (or, to be precise, the organised working class and its allies) embrace socialist ideas that there will be governments committed to fundamental change. And to achieve this will require more than a battle of ideas. It will need grass roots struggle on hundreds of separate but interconnected issues, during which people in action will begin to learn how all the challenges they face stem ultimately from the contradictions of capitalism.

The fundamental contradiction, says Jerry, is "too much capital

accumulating, unable to find suitable investment opportunities... because too much surplus labour is appropriated at the expense of wages".

This expresses a surface truth, one advanced by some Keynesian economists, that the main source of crisis is under-consumption. Put that right, it is argued, and "managed capitalism" can continue to provide a high level of employment. But this by no means gets to the roots of the current crisis. Nor does it correspond to Marx's analysis – or for that matter to what our ruling class is seeking to do today to resolve the crisis, that is, to cut working class incomes and the social wage.

The really fundamental contradiction is this: on the one hand, the social character of economic activity, requiring the cooperation of whole societies; on the other hand, the appropriation of surplus value by individual corporations, concerned only to maximise their profits. It is the inexorable drive for profit at the expense of the incomes (and savings) of the majority of people that is the fundamental cause of the current crisis. This is a *class* contradiction that can be resolved only by *class struggle*. ■

I am indebted to John Foster for reading a draft of this and making several valuable suggestions to improve it. A subsequent article will deal with Jerry Jones's views on George and Keynes.

Notes

1 John Foster *Counting or Explaining? Surplus Labour versus Surplus Value* in *Communist Review* 40 (Spring 2004), p 20.

2 The phrase comes from Robert Tressell's novel *The Ragged Trousered Philanthropists* in which Frank Owen gives a vivid but somewhat eccentric explanation of surplus value to his mates on a building site.

3 See John Foster's recent pamphlet *The Politics of Britain's Economic Crisis* (CPB 2008)

BOOK REVIEW

The Labour Movement in Britain from Thatcher to Blair

Review by Robert Griffiths

THIS IS KEITH BARLOW'S authoritative account of recent trade union and class relations in Britain, updated to cover the first two New Labour governments.

It is crammed with facts woven together in a thematic narrative, informed by a Marxist understanding of the labour process, the economy, trade unionism, the law and the state. As such, it provides a valuable alternative to journalistic, class-collaborationist accounts on the one side, and simplistic ultra-left catechisms of "betrayal by the trade union bureaucracy" on the other.

The author succeeds in substantiating his three main theses.

Firstly, he proposes that it is questionable – to say the least – that "Thatcherism" represented something entirely new or qualitatively different in British government policies; more specifically, that it represented a break from the post-war "Butskellite" consensus.

In fact, there is a strong case to question the scope and depth of this consensus in the 1950s, never mind the later decades which receive Barlow's attention. That aside, he marshals facts and analysis to demonstrate that the consensus barely survived the growth of shop floor militancy and the struggle around the Wilson government's White Paper *In Place of Strife* in the 1960s. Then came the industrial battles of the early 1970s, including two national miners strikes, the dockers' and building workers' disputes, defiance of the 1971 Industrial Relations Act by the engineers and the train drivers and the victorious campaign to release the Pentonville Five from prison.

Keith Barlow

The Labour Movement

in Britain from Thatcher to Blair

With a Foreword by Jim Mortimer

Extended and Updated Edition

 PETER LANG
Internationaler Verlag der Wissenschaften

State-monopoly capitalism has never regarded any accord with organised labour, such as the “Social Contract” of the latter half of the 1970s, as anything but a temporary expedient. By 1977, the Labour government had forsaken its goal of full employment, implemented cuts in social programmes according to IMF diktat and tried to impose a discredited pay policy on the firefighters and local government manual workers. The author insists, therefore, that the election of the Thatcher “New Right” government in 1979 merely signalled the formal termination of a truce already abandoned in practice.

The Thatcher regime combined new policies with continuation of some of the old. Barlow links the former with a renewed drive to restructure the British economy at the “macro” level of whole industries and the “micro” level of key enterprises. It is in this perspective that we can best understand the role of a raft of anti-trade union laws and the revived use of common law with sharply narrowed “immunities” for trade unions.

Which brings us to the second of the author’s theses: that, far from reacting spontaneously to the pressures of the moment, the 1979-90 Thatcher governments implemented a “long and carefully thought out strategy” to undermine and then confront trade unionism and restore corporate profitability.

From 1975, Lord Carrington chaired a working group to consider how to overcome trade union power. Then the infamous Ridley report, leaked in the *Economist* magazine in

The Labour Movement in Britain from Thatcher to Blair

BY KEITH BARLOW

(Peter Lang, 2008, 304 pp, pbk £32.30 ISBN 978-3-631-55137-0)

May 1978, revealed Tory plans to centralise and militarise the police, recruit strike-breaking lorry drivers, rig the financial accounts of nationalised industries, convert coal-burning power stations to dual oil-fire, build up coal stocks, cut off social security payments to strikers’ families, outlaw solidarity action and take on public sector workers one section at a time, beginning with the weakest and finishing with the coal miners.

Barlow recounts the subsequent confrontations, exposing the lack of political consciousness, class politics and solidarity in the labour movement’s responses – severe deficiencies which still exist today at every level of the movement. His claim that a written constitution might have frustrated Thatcher’s programme of anti-union legislation is, however, unproven – there being no clear case for arguing that Parliament or a constitutional court would have adopted or defended far-reaching provisions for workers’ and trade union rights.

The impact of British imperialism economically, socially and ideologically, including its role in strengthening sectionalism and reformism, has been deep and long-running. To ascribe the British labour movement’s political backwardness solely or even mainly to its leadership is childish ultra-leftist exasperation, rightly shunned by the author. While there are strong tendencies to a reformist and class-collaborationist outlook and approach in the full-time apparatus of the trade union movement, and while national positions should be used wherever possible to combat such an outlook and approach, there are trade union leaderships which do not “sell out” and which use their influence to support and politicise their members. This is as true today in, say, the railway workers’ and prison officers’ unions at the moment as it was of the electricians’ and firefighters’ unions in the 1950s.

Barlow’s third thesis is that the Labour Party did not have to adapt to New Right policies in order to become electable or, by implication, to stay in

office subsequently. Indeed, abandoning economic planning, full employment, nationalisation and unilateral nuclear disarmament did not produce victory in the 1987 and 1992 general elections, nor did purging the party of Militant and various left-wing parliamentary candidates. Instead, Labour ended up embracing the European Community, proclaiming the feeble “Social Charter” and backing the entry of sterling into the European Exchange Rate Mechanism in 1990 - thereby disarming the party when ERM obligations immediately began to destroy industrial investment, manufacturing jobs and public services.

As opinion polls show, Labour’s forthcoming election victory had become inevitable by the mid-1990s, regardless of further restrictions on inner-party democracy and scrapping the socialist Clause Four in the party’s constitution.

In recounting and explaining all these political, economic, social and labour movement developments, Keith Barlow has produced an excellent reference book for academically-minded students. But the extensive space and detail it devotes to trade union and employment law limits its accessibility. Less of an obsession with legal cases and parliamentary statutes – important though they are – and a little more on the politics of the labour movement would have made this even more valuable to the movement’s activists and organic intellectuals.

For example, there is surprisingly little about the Communist Party and other forces on the left in the working class movement and no mention, either, of such bodies as the United Campaign for the Repeal of Anti-Trade Union Laws (although its progeny the Trade Union Freedom Bill is deservedly highlighted). The chapter headings are alien in their verbosity.

At the same time, the author identifies himself as the person most likely to write the definitive political account of these significant chapters in the history of the British labour movement. ■



Notes to the Poems and Poets

Charles Mackay (1814-1889) was a Scottish poet, journalist and songwriter, and an associate of Charles Dickens. He made his literary reputation in 1846 with a collection of poems, *Voices from the Crowd*. In 1849 the *Morning Chronicle* decided to undertake an investigation into the condition of the labouring classes in England and Wales, and Mackay was given the task of surveying Liverpool and Birmingham. The poem presented here, *John Littlejohn*, is taken from *Spokesmen for Liberty* (Jack Lindsay and Edgell Rickword, editors), Lawrence & Wishart, 1941.

A regular literary selection

JOHN LITTLEJOHN

By Charles Mackay

John Littlejohn was staunch and strong,
Upright and downright, scorning wrong;
He gave good weight, and paid his way,
He thought for himself, and he said his say.
Whenever a rascal strove to pass,
Instead of silver, money of brass,
He took his hammer, and said with a frown,
“The coin is spurious, nail it down.”

John Littlejohn maintained the right,
Through storm and shine, in the world’s despite,
When fools or quacks desired his vote,
Dosed him with arguments learned by rote,
Or by coaxing, threats or promise, tried
To gain support to the wrongful side,
“Nay, nay,” said John with an angry frown,
“Your coin is spurious, nail it down.”



When told that kings had a right divine,
And that the people were herds of swine,
That the rich alone were fit to rule,
That the poor were unimproved by school,
That ceaseless toil was the proper fate
Of all but the wealthy and the great,
John shook his head, and swore, with a frown,
“The coin is spurious, nail it down.”

Ho Chi Minh (1890-1969) was a founder of the Indochinese Communist Party and leader of the Vietnamese people's liberation struggle against French, Japanese and US imperialism. In 1942, during the Japanese occupation of Vietnam, he was arrested in southern China while attempting to make contact with the Chinese government on behalf of the Vietnamese patriots. For fourteen months in all, he was held in a total of 30 prisons in southern China, often involving shackling by night and 50 kilometre transfers on foot by day. Eventually he escaped from house arrest and returned to Vietnam after an absence of two years. The two poems presented here are from his *Prison Diary* (4th edition), translated by Aileen Palmer, Foreign Languages Publishing House, Hanoi, 1967.

Helen Fullerton (1928-2005) was a hospital orderly, postwoman, capstan operator at Rolls Royce, Glasgow (where she became a shop steward), a provisions van operator around the Glen Shira hydro-electric scheme in the Scottish Highlands, a song-collector, poet and friend of the travelling people. Later she studied for a BSc and then PhD in soil chemistry at Glasgow University and ultimately became a farmer in Wales and an activist for Farming and Livestock Concern UK. The poem presented here is taken from her booklet, *My Country: Songs and Poems*, Lawrence & Wishart, 1957.

Vladimir Mayakovsky (1893-1930) was the unchallenged poetic genius of the early years of the Soviet Union. The poem printed here, also known as *Incessant Meeting Sitters* and *Conference Crazy*, was the first of Mayakovsky's to be published in a Soviet newspaper, appearing in *Izvestia* on 5 March 1922. The following day, in a speech to a meeting of the Communist group of the All-Russia Congress of Metalworkers, Lenin said: "Yesterday, I happened to read in *Izvestia* a political poem by Mayakovsky. I am not an admirer of his poetical talent, although I admit that I am not a competent judge. But I have not for a long time read anything on politics and administration with so much pleasure as I read this. In his poem he derides this meeting habit, and taunts the Communists with incessantly sitting in meetings. I am not sure about the poetry; but as for

the politics, I vouch for their absolute correctness. We are indeed in the position, and I can vouch that it is a very absurd position, of people sitting endlessly in meetings, setting up commissions and drawing up plans without end." (Lenin, *Collected Works*, Vol 33, p 223). The translation is due to Herbert Marshall and appeared in *Mayakovsky and his Poetry* (Herbert Marshall Ed.), The Pilot Press, 1942. Marshall states, "This poem is almost impossible to translate because of the play on well-known and numerous abbreviations used in Russian." Nonetheless, the sentiment is clear.

GUARDS CARRYING PIGS

By Ho Chi Minh

Along the way we travel, the guards are carrying pigs.
Pigs travel on guards' shoulders, while men are dragged in irons.
Once a man is forced to surrender his natural human freedom
The value of a man is less than that of a pig.

In this world the ills of man may number many tens of thousands,
But nothing that can befall him is worse than loss of freedom.
A simple word, a gesture is no longer a man's right.
We can only submit to be driven along like horses or cattle!



NANNING JAIL

By Ho Chi Minh

Here is a jail built in ultra-modern style.
At night the compound is brightly flooded with electricity,
But as every meal is nothing more than a bowl of rice gruel,
The stomach is in a state of quivering protest.



IN RE CONFERENCES

By Vladimir Mayakovsky

No sooner the night turns into dawn
than everyone, whose job it is,
goes to the "Firm",
to the "Co",
to the "Inc",
to the "Corp",
they all disappear into
offices.
Paper business pours
like a torrent,
no sooner than you get into
the offices.
Pick out from a hundred –
the most important! –
employees disappear into conferences.

Then I appear and ask:
"To whom can I refer?
Been here since once upon a time."
"Comrade Ivan Ivanich haveⁱ gone to
confer with the People's Commissar
of Teetotal Wine."

Crippled by countless stairs.
Light barely blinks.
Again:
"Asks you to come back in an
hour or so.
In conference:-
re the purchase of inks
for the All-In Co-op Corp & Co."

In an hour –
not a clerk,
not an office boy
appears ...
bare!
Everyone up to 22 years is at the
Komsomolⁱⁱ conference upstairs.

Night is falling.
I still climb on
to the highest floor of my temporary
home.
"Has Comrade Ivan Ivanich come in?"



"Still in conference,
with the A-B-C-D-E-F-G-Com."

Into that conference,
I burst like a lava,
with savage oaths the path is strewn.
And see:

people are sitting there in halves.
Heavens above!
Where've their other halves gone?
"Slaughtered!
Murdered!"

Running about like mad I shout.
At such a picture I go out of my mind.
Then I hear the calmest of clerks
point out:
"They're in two conferences at the very
same time."

Twenty conferences
we have to attend to
every day –
and more to spare.
So we're forced to split ourselves in
two!
Here to the waist,
and the rest –
over there.

Can't sleep for suspense.
I meet the dawn with frenzied senses.
"Oh for just
one
more conference
regarding the eradication of all
conferences!"

ⁱ Mayakovsky deliberately uses the plural.
ⁱⁱ Young Communist League

QUESTION OF A WAR CORRESPONDENT IN KOREA

By Helen Fullerton

What does the Man in the
Street say?
What are his views on the war,
The ordinary Korean
That we've been fighting for?

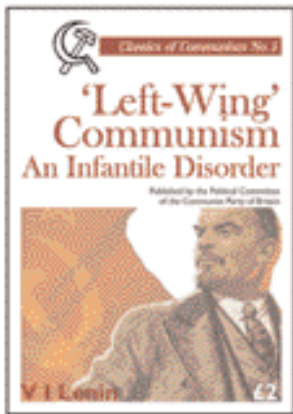
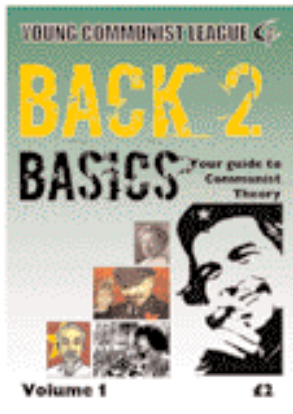
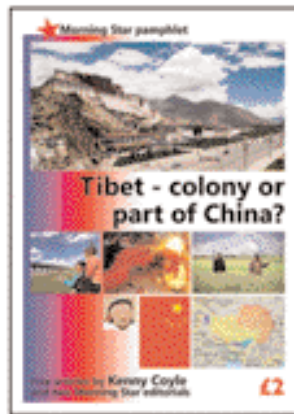
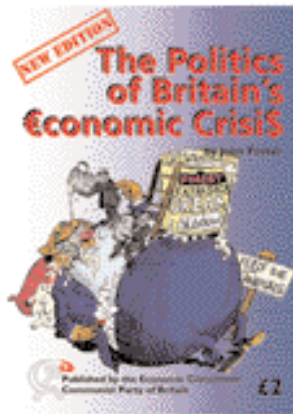
Why do you not answer me?
What is it I have said
That makes you smile so bitterly
And turn away your head?

"Because there is no such man
any more.
Do you not understand?
Brother, there are no streets
In our 'liberated' land."



Junk food: an irregular cartoon strip





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