

# Where Do We Go From Here?

## Questions and Thoughts

I HAVE only just got down to studying Ken Tarbuck's "Notes on Marx's Reproduction Schemas" in the supplement to the July 1991 issue of *New Interventions*. He has obviously put so much work into this that it would be disappointing if he did not have some feedback.

The most important aspect of these notes is that the model and its equations indicate that the whole dynamic process is one of constant loss and recovery of equilibrium. The equilibrium expressed in the equations is constantly being disrupted and then restored by the same market forces. (Even if some of the equations were wrong in some details, that is, if the equilibrium conditions were not quite those of Ken's equations, this would still be true.) The most appropriate analogy is of a man riding a bike – he is constantly losing his equilibrium, but provided he can keep going forward, he will not fall off because his forward motion enables him to restore it. In the same way, as shown in the schema, as long as the correct amount of unproductive consumption continues to soak up the surplus and enables the realisation of surplus value, reproduction can continue. (Even if, to take matters to a ludicrous limit, this unproductive consumption consisted of digging holes in the ground and filling them up again. In fact, when you think about it, the setting fire to the Kuwait oil wells and the whole Gulf War destruction is not that much less ludicrous.) The following three conclusions can be drawn:

1. There is nothing in Marx's schemas or Ken's amplification of them that indicates any ceiling above which production cannot go. There is no absolute limit to growth.

2. However severely disrupted, the equilibrium will be restored by the same "market forces *in toto*" that caused the disequilibrium – by the destruction of redundant capital and consumer goods (dismantling factories, throwing fish back into the sea, the subsidising of wine lakes and grain mountains, etc).

3. It follows that the capitalist economy will always recover from its slumps and reach higher levels of production in the next boom unless and until it is overthrown or superseded. (This does not mean to say than even in the booms the

disproportions, social tensions and conflicts will necessarily be attenuated.)

There is no general disagreement between these conclusions and those I drew from my (far less sophisticated and detailed) argument in my articles on Marxism and the productive forces. Does Ken agree with this assessment?

The question is *where do we go from here?* So far, the main thrust of the contributions to *New Interventions* has been to try to explain and understand why the predictions of the Bolsheviks and founders of the Third International and, after them, the Trotskyists, of limits to growth and imminent revolutions were not fulfilled. Embedded in these arguments, there should be the elements for constructing an alternative strategy for the future. We cannot go on for ever repeating how we were wrong and how the present orthodox Trotskyist sects are wrong. We must now go on to outline in a positive manner what strategy the coming generation should, in our opinion, adopt.

I am slowly and hesitantly working towards some ideas. They involve consideration of the following problems:

Firstly, is the only way forward through the destruction of the capitalist state and its replacement by a Soviet-type state through revolutionary insurrection led by a Bolshevik-type party? Is October 1917 a valid model for advanced capitalist parliamentary democracies? My answer is "No". Parliamentary democracy, for all its inadequacies, provides a *possibility* for socialists to win control of the state-machine. In the course of this struggle, which will not be limited to parliament and parliamentary elections but will involve the development of popular initiative and struggle in all fields of society, and in the implementation of radical measures by socialists once they form the government, the state itself will be transformed. Socialists must of course be prepared for extra-parliamentary opposition and attempts at destabilisation by domestic and foreign reaction. They can only defeat this by transforming the state and broadening its popular base, by encouraging the development of grass-roots self-government at all levels, and merging the transformed state machine with these new organs

of popular participation. As long as the great majority of the population accept the principle of democracy (and they are right to do so), socialists simply marginalise themselves by repeating slogans about the “destruction of the state machine” and refusing seriously to attempt to use the available structures. We should not be afraid of admitting when we were wrong in the past for fear of being accused of going over to reformism.

Secondly, we should similarly reject the idea that “reform” and “revolution” are mutually exclusive, and the idea that partial or “transitional” demands should be put forward only to “prove” that they are unattainable this side of the revolutionary insurrection. We should fight for “reforms” and the transformation of aspects of capitalism *this side of the revolution*. Many reforms which Marxists had thought were unattainable have been obtained. The whole complex of the welfare state, however much eroded in recent years, represents a significant transformation of some aspects of capitalism. In fact, it is an element of socialism growing within the womb of capitalism – a product of the combined effects of pressure and campaigning by the labour movement and of enlightened self-interest by those in the establishment anxious to preserve the existing system by making it more acceptable.

Thirdly, this leads to the next, related, point. We all agree that even if the political overturn takes the form of a swift October 1917-style seizure of power, a complete transformation to a fully socialist or communist society will be a fairly lengthy *process*. The new regime will preside over a transitional economy in which large elements of the old capitalism will remain – income differentials and money wages. The latter implies the continuance of the market, at least in consumer goods. Nor will all economic activity be “nationalised” or incorporated in a command economy at one fell swoop. Elements of the old capitalism and the new socialism will coexist in a mixed economy. The difference will be that the socialist state will actively encourage the growth of the new socialist elements.

In this connection, I recall a discussion with Ken about the “de-commoditisation” of various goods and services. The NHS is an example of the “de-commoditisation” of health care. There is no money paid at the point of use. The state syphons off surplus-value from the private sector (bosses and workers) in the form of taxes, etc, and provides a “free” health service (that is, independent of means and with no money payment at the point of use – at least that is the theory). Similarly, the building of dwelling houses by local authorities was also an example of the partial “de-commoditisation” of housing – in the sense that the building of houses was not determined by the immediate search for profit by

builders, but by a *political decision* by the local authorities based on *social needs* to provide a certain number of dwellings of different types. Need I say that this is an imperfect example since the policies of local authorities are constrained by the overall economic climate (which is the climate of a capitalist economy), and that of course the builders of council houses (and of hospitals) are capitalist firms seeking profits. But my point is that insofar as the provision of health and housing is determined by social needs as opposed to pure market forces and the subject of decision based (however imperfectly) on social criteria, they are an element of socialism implanted within capitalism – this side of the revolution.

Now the question I am posing – and I am not sure whether I am right – but it needs posing, is this. Need there be a sharp division between reforms and restructuring of aspects of capitalism this side of (that is, prior to) the revolution and the transitional society the other side (that is, after the revolution). Presumably a feature of the “transitional period” after the seizure of power would be an extension of “de-commoditisation” to other things beside health and housing. If we call all the goods and services provided as per the NHS as the “social wage” and all the goods and services purchased with money the “money wage”, the present situation is that the “social wage” is only a minor part of the total wage, and most of the consumption of workers (and of everyone else) is of commodities sold on the market. One can envisage that the transition to full socialism will entail the growth of the “social wage” element to become the source of all the basic necessities and comforts of life, leaving only a small slice on top of money wages for the purchase of definite luxuries not provided by the social wage. (For example, everyone would have a standard housing and food, etc, as of right, but if one wanted extra luxuries one would pay for that out of one’s money wage.) Eventually everything would be “de-commoditised”, and money would disappear. But this would presumably take some time. Many of the things we should be fighting to defend and extend *now* are the sort of things which would be part of the fairly immediate post-revolution “transition period”.

I have just finished reading Ralph Miliband’s book *Divided Societies*. After arguing that the revolutions in Russia, China, Cuba, etc, are not appropriate for advanced capitalist countries he continues:

“A radical transformation project in advanced capitalist countries, such as is encompassed by the notions of socialisation and democratisation, is inscribed in a very different context, and has therefore to be conceived in rather different terms. It has to be conceived as a development of *what already exists* [my emphasis] in economic, social and political terms. Fundamental change, in this

sense, cannot mean the total negation of all that has gone before, but a radical, qualitative improvement upon it. There are many reasons why this must be so. One of them is that the Left, in advanced capitalist countries, does not have to confront the infinitely arduous and painful task of economic development: it has the inestimable advantage of a context shaped by 200 years and more of such development – the legacy of the toil of past generations to present and future ones. Another such reason is that the Left is located in a political framework which includes democratic forms, however inadequate and limited and vulnerable they may be; and that framework also includes strong democratic currents of thought – the collective memory of past struggles and strivings for such forms.”

I agree with him.

Fourthly, from this it flows that socialists must seek to influence and change the existing institutions and organisations of the working class, namely, the Labour Party in Britain and established parties in other countries which have mass influence and implantation, be they social democratic or ex-Stalinist (as in Italy). However, this should not be made a fetish; in some situations propaganda, education and organisation outside the existing organisations and institutions may also be necessary.

Fifthly, what should be the content and form of socialist propaganda? One thing it should not be is the type of propaganda and agitation found in most of the Trotskyist press in this country. This is addressed to the narrow circle of the already converted. It assumes that its readers already agree that Kinnock & Co are “traitors”; it assumes that its readers are already convinced socialists and revolutionaries, and assumes that it is only necessary to point out that Kinnock is neither. Whereas the reality is that the mass of the working class is not convinced that there is a viable socialist alternative to the present system. Our aim should be to explain in simple terms why capitalism creates the conditions that exist and what socialism is about. While I take the point that Marx was right not to attempt to produce detailed blueprints of a communist society, it is nevertheless necessary to explain what a socialist or communist society would be like. Among the few good examples of that sort of propaganda are

the speeches of the American Socialist Workers Party leaders from the dock at the 1941 Minneapolis trial reprinted in pamphlet form.

The repetition without explanation of bald demands for “nationalisation under workers’ control” is useless until and unless the workers we address become convinced of its necessity. The demands for nationalisation should be accompanied by an explanation to the reader of how this would work, and how it would be different from both private enterprise and the previous nationalisation carried out by Labour governments. Similarly, the socialist implications of existing institutions like the NHS should be explained. We should explain to our audiences: “If you want to know how socialism would work in practice – look at the NHS and imagine it even better, with adequate resources provided by the community and a set up which would enable those who work in it, from consultants to porters, and the patients to have a say on how it is run. And imagine *that* applied to the provision not only of medical care but to most other necessities – that is what socialism would look like.” And then go on to explain why it is necessary to establish a socialist government to apply such measures. The various Trotskyist papers were right to run articles expressing support for the ambulance personnel, the nurses, the miners in their disputes, but those I saw mostly failed to draw out socialist arguments, and seemed often to concentrate on a rather negative type of union-leader bashing – implying but that for their treachery every dispute would have ended in total victory.

So let us get back to some of the very good propaganda and educational pamphlets and books put out pre-1914 by the Independent Labour Party and the Clarion Press. Whatever criticisms we may have of them, they did address themselves to a wider public of non-socialist working people in the language they could understand. As for the violent diatribes against the next nearest group of “revisionists”, “Pabloites”, “sectarians”, “petit-bourgeois deviationists”, etc, etc – they should be kept out of papers supposedly addressed to workers and trade unionists. If they must be printed, they should be reserved for discussion bulletins aimed at the elite who can understand the above terms and the convoluted polemics involved.