

8 Theses about Marx and Socialist Alternatives¹

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1. For Marx, the whole point of socialism was human development

From the outset of his work, Marx rejected the preoccupations of the political economists of his time and envisioned a ‘rich human being’—one who has developed his capacities and capabilities to the point where he is able “to take gratification in a many-sided way,” “the rich man profoundly endowed with all the senses.” “In place of the wealth and poverty of political economy,” Marx proposed, “come the rich human being and rich human need. The rich human being is simultaneously the human being in need of a totality of human manifestations of life—the man in whom his own realisation exists as an inner necessity, as need.” (Marx, 1844b: 302, 304).

It was not only the Young Marx, however, who spoke so eloquently about rich human beings. In the *Grundrisse*, Marx continued to stress the centrality of the concept of rich human beings. “When the limited bourgeois form is stripped away,” he asked, “what is wealth other than the universality of individual needs, capacities, pleasures, productive forces etc., created through universal exchange?” (Marx, 1973: 488). In continuing to envision a rich human being, “as rich as possible in needs, because rich in qualities and relations... as the most total and universal possible social product,” Marx revealed his understanding that real wealth is the development of human capacity (Marx, 1973: 409)

Grasping this concept is essential if we are to understand the perspective from which Marx proceeded: real wealth is the development of human capacities, the development of human potential. Rather than thinking of a being with simple needs and simple productive powers, Marx looked to the “development of the rich individuality which is as all-sided in its production as in its consumption.” (Marx, 1973: 325). This is what Marx’s conception of socialism was all about: the creation of a society that removes all obstacles to the full development of human beings. In contrast to a society where the worker exists to satisfy the need of capital for its growth, he looked to what he called in *Capital* “the inverse situation, in which objective wealth is there to satisfy the worker’s own need for development.” (Marx, 1977: 772)

In that society of associated producers, each individual is able to develop his full potential: i.e., the “absolute working-out of his creative potentialities,” the “complete working out of the human content,” the “development of all human powers as such the end in itself.” (Marx, 1973: 488, 541, 708). In socialism, the productive forces would have “increased with the all-round development of the individual, and all the springs of co-operative wealth flow more abundantly.” (Marx, 1875: 24). The result, in short, would be the production of rich human beings.

How, though, are rich human beings produced? How do we ensure that everyone has the opportunity for the full development of her potential?

¹ This is a revised version of a paper presented at Universidad Autónoma Metropolitana, Xochimilco, Mexico in October 2009. The arguments are developed more fully in Lebowitz (2010).

2. The key to the development of our capacities is revolutionary practice.

‘Revolutionary practice’ is the simultaneous changing of circumstances and human activity or self-change. Marx introduced this concept in the context of criticizing Robert Owen’s idea that you can change people by giving them gifts. That was the essence of the utopian socialism of his time – that if we change the circumstances for people (for example, by creating new structures, new communities, and the like, and inserting people into these), they will be themselves different people. And Marx said, no, you are forgetting something rather important: you are forgetting really existing human beings. You are forgetting that it is they who change circumstances and that they change themselves in the process.

Further, who is this ‘we’ that would change circumstances for people? This idea that we can change circumstances for people and thus change them, Marx noted, divides society into two parts—one part of which is superior to society. Indeed, is there a group of people at the top of society who will change circumstances for us? A group that knows how to build socialism for us? A group that knows enough to bestow that gift upon those whom they consider to know nothing? You are forgetting, Marx remarked, something else rather important: that “the educator must himself be educated.” (Marx, 1845).

3. It is essential to understand that the key link for Marx is this combination of human development and practice.

Make the key link of human development and practice our starting point and there is a simple answer to the question of how the development of human capacity occurs: we develop through all our activities. As the French Marxist Lucien Sève commented, “Every developed personality appears to us straight away as an enormous accumulation of the most varied acts through time,” and those acts play a central role in producing human ‘capacities’ -- “the ensemble of ‘actual potentialities,’ innate or acquired, to carry out any act whatever and whatever its level.” (Seve, 1978: 304, 313).

Thus, in all their activities, people produce in themselves the potentialities to carry out other acts which reproduce and expand their capabilities. “Every kind of consumption,” Marx pointed out, “in one way or another produces human beings in some particular aspect”; thus, when “attending lectures, educating his children, developing his taste, etc,” the worker expands his capacities in different dimensions (Marx, 1973: 90-91, 287; Lebowitz, 2003: 66-72). . In short, the worker explicitly pursues his “own need for development” when he uses his time away from the organized workplace “for education, for intellectual development, for the fulfillment of social functions, for social intercourse, for the free play of the vital forces of his body and his mind.”(Marx, 1977: 772, 375).

But, people also transform themselves when their own development is not their preconceived goal. (In this case, it is an unintended consequence of their activities.) “The coincidence of the changing of circumstances and of human activity or self-change”: this, after all, is the essence of Marx’s view of “the self-creation of man as a process.” (Lebowitz, 2003: 178-81). Marx was most consistent on this point when talking about the struggles of workers against

capital and how this revolutionary practice transforms “circumstances and men,” expanding their capabilities and making them fit to create a new world (Lebowitz, 2003: 180-83).

Marx, though, did not at all limit his view of this process of self-change to the sphere of political and economic struggle. In the very act of producing, “the producers change, too, in that they bring out new qualities in themselves, develop themselves in production, transform themselves, develop new powers and new ideas, new modes of intercourse, new needs and new language.”(Marx, 1973: 494). The worker as outcome of his own labour, indeed, enters into Marx’s discussion in *Capital* of the labour process; there the worker “acts upon external nature and changes it, and in this way he simultaneously changes his own nature.”(Marx, 1977; 283).

In short, every labour process inside and outside the formal process of production (that is, every act of production, every human activity) has as its result a joint product: both the change in the object of labour and the change in the labourer herself.

4. The spectre of socialism haunts Marx’s *Capital*.

Once we understand Marx’s consistent focus upon human development, it is clear that the very premise of his *Capital* is the concept of a society in which the development of all human powers is an end in itself. The “society of free individuality, based on the universal development of individuals and on the subordination of their communal, social productivity as their social wealth” is the spectre that haunts Marx’s *Capital*.(Marx, 1973: 158). Can we doubt at all the presence of this other world oriented to the human end-in-itself from *Capital*’s opening sentence? We are immediately introduced to the horror of a society in which wealth appears not as real human wealth but, rather, as “an immense collection of commodities.”(Marx, 1977: 125) Think of the condemnation implied there for a writer who is so clear that real wealth is human capacities!

Further, can we doubt at all that socialism is Marx’s premise when without any logical development in this supremely logical work, Marx suddenly evokes a society characterized not by the capitalist’s impulse to increase the value of his capital but, rather, by “the inverse situation in which objective wealth is there to satisfy the worker’s own need for development”?(Marx, 1977: 772) In fact, that ‘inverse situation’ is precisely the perspective from which Marx persistently critiques capitalism. After all, he comments that in capitalism means of production employ workers; and he describes that as “this inversion, indeed this distortion, which is peculiar to and characteristic of capitalist production.” But, an inversion and distortion of what? Simply, an inversion of the “relation between dead labour and living labour” in a different society, one in which the results of past labour are “there to satisfy the worker’s own need for development.”(Marx, 1977: 425).

Read *Capital* with the purpose of identifying the inversions and distortions that produce truncated human beings in capitalism, and we can get a sense of Marx’s idea of what is “peculiar to and characteristic of” production in that ‘inverse situation’, in socialism. We understand that all means for the development of production are not necessarily “means of domination and exploitation of the producers” but that this is a ‘distortion’: that in socialism, we would be liberated and not enslaved by our own products. We begin to understand the necessary conditions for

producing rich human beings by considering Marx's account of their negation in capitalism.

What are the characteristics of socialist production that we can discover in *Capital*? What kind of production has as its joint product not the crippled human beings who are the result of capitalist relations of production but "the totally developed individual, for whom the different social functions are different modes of activity he takes up in turn"? (Marx, 1977: 617-18). What kind of activities are essential to produce this rich human being whose "own realisation exists as an inner necessity, as need?"

Given the 'dialectical inversion' peculiar to capitalist production that cripples the body and mind of the worker and alienates from her "the intellectual potentialities of the labour process," it is clear that to develop the capacities of people the producers must put an end to "the enslaving subordination of the individual to the division of labour, and therewith also the antithesis between mental and physical labour." (Marx, 1875: 24). It is no accident that Marx indicated in *Capital* that the "revolutionary ferments whose goal is the abolition of the old division of labour stand in diametrical contradiction with the capitalist form of production." (Marx, 1977: 619).

Head and hand must be reunited. For the development of rich human beings, the worker must be able to call "his own muscles into play under the control of his own brain." (Marx, 1977: 643). Expanding the capabilities of people requires both mental and manual activity. Not only does the combination of education with productive labour make it possible to increase the efficiency of production; this is also, as Marx pointed out in *Capital*, "the only method of producing fully developed human beings." (Marx, 1977: 614). Here, then, is the way to ensure that "the productive forces have also increased with the all-around development of the individual, and all the springs of co-operative wealth flow more abundantly." (Marx, 1875: 24).

5. To understand Marx's concept of socialism, we need to understand his distinction between the Being and Becoming of an organic system.

In capitalism as an organic system, 'every economic relation presupposes every other in its bourgeois economic form, and everything posited is thus also a presupposition, this is the case with every organic system.' (Marx, 1973: 278) And, that is what Marx demonstrated in *Capital*. He showed how capitalism was a system of reproduction, one which tends to reproduce all its premises. That is, it reproduces its property relations and its relations of production. And, this is the case with every organic system.

However, there is a very big difference between an organic system, one which produces its own premises and thus rests upon its own foundations, and the 'becoming' of such a system. We will never understand Marx's conception of socialism or what he had to say about economic systems in general if we don't grasp the essential distinction between the 'Becoming' of a system and its 'Being': between the historical emergence of a particular form of society and the nature of that society once it has developed upon its own foundations.

A new system does not drop from the sky. It never produces its own premises at the outset. Rather, when a new system emerges, it necessarily inherits premises from the old. Its premises and presuppositions are 'historic' ones, premises which are produced outside the system. And, insofar as those historic premises are from outside the system,

they can not be a basis for understanding an organic system “in which all the elements coexist simultaneously and support one another.” (Marx, 1847: 167)

For example, Marx noted that if you want to understand the modern city, you don’t do it by discussing the flight of serfs to the cities. That is “one of the *historic* conditions and presuppositions of urbanism [but]... not a *condition*, not a moment of the reality of developed cities.” Similarly, let’s not talk about things like how “the earth made the transition from a liquid sea of fire and vapour to its present form.” Let’s talk about the earth and capitalism now -- not those “presuppositions of their becoming which are suspended in their being.”

The historic presuppositions of capitalism took many forms, among which were individual savings acquired from various sources. However, the dependence of capitalism upon original savings, Marx stressed, belongs “to the *history of its formation*, but in no way to its *contemporary* history, i.e. not to the real system of the mode of production ruled by it.”(Marx, 1973: 459). Once capitalism exists, then capital “itself, on the basis of its own reality, posits the conditions for its realization.” In short, you have real capital when capital produces its own premises, when it no longer rests upon historic presuppositions.

Thus to understand capitalism as a system, we must look at how the system is reproduced, how it “creates its own presuppositions... by means of its own production process.” We look at how capital “no longer proceeds from presuppositions in order to become, but rather it is itself presupposed, and proceeds from itself to create the conditions of its maintenance and growth.”(Marx, 1973: 460). That, as we have seen, is how Marx proceeded: by examining capitalism as an organic system and by demonstrating that capital is the result of the exploitation of workers and is the workers’ own product turned against them. Once he had identified the essential elements in capitalist relations of production as capital and wage-labour, then he could focus upon the preconditions for the initial emergence of each. *Theory, in short, guides the historical inquiry.* Our method, Marx noted, “indicates the points where historical investigation must enter in”; understanding the nature of capitalism as an organic system “point(s) towards a past lying behind this system.”(Marx, 1973: 460-61).

But see, he stressed, how bourgeois economists obscured the distinct nature of capital by “formulating the conditions of its becoming as the conditions of its contemporary realization; i.e. presenting the moments in which the capitalist still appropriates as not-capitalist—because he is still becoming—as the very conditions in which he appropriates as *capitalist*.” (Marx, 1973: 460). This completely distorts the nature of capitalism. By treating capital as if it *remains* based upon historic presuppositions like individual savings, the capitalist relation of production (and, thus, capital’s dependence upon exploitation of the wage-labourer) disappears. *This is why Marx explicitly distinguished between the accumulation of capital within capitalism as a system and the ‘original accumulation’ -- and why the former must come first in our analysis.*

If we fail to distinguish between the being and the becoming of an organic system, we don’t understand the elements in the *completed* system. For example, there is an essential difference between money as it emerges historically and all the sides of money within capitalism as an organic system, and the same distinction is true of the commodity. Stated another way, when we consider the elements *historically*, we are looking at the elements in their flawed and defective state--- where they are not yet produced in their appropriate form. “How, indeed,” Marx asked in

1847, “could the single logical formula of movement, of sequence, of time, explain the structure of society, in which all relations coexist simultaneously and support one another?” (Marx, 1847: 167).

Every new system as it emerges is inevitably defective: it is “in every respect, economically, morally and intellectually, still stamped with the birth marks of the old society.” This understanding is at the core of a dialectical perspective. As Hegel put it, the “new world is perfectly realized as little as the new-born child”; it realizes its potential “when those previous shapes and forms... are developed anew again, but developed and shaped within this new medium, and with the meaning they have thereby acquired.” (Hegel, 1967: 75-76, 81). Marx understood such development as the process of becoming: “the process of becoming this totality forms a moment of its process, of its development.” And, how does this development occur? “Its development to its totality consists precisely in subordinating all elements of society to itself, or in creating out of it the organs which it still lacks. This is historically how it becomes a totality.” (Marx, 1973: 278).

But, how precisely does a new system become? Beginning with the defects it inherits, those characteristics of the old society, *how does it subordinate all elements of society to itself and create the organs which it still lacks* in order to rest upon its own foundations? How does socialism develop into an organic system in which all its premises are results of the system?

6. It is a distortion of Marx to conceive two separate stages after capitalism, each with its own specific principle.

What is socialism? For many people schooled in the texts of the 20th Century, the following propositions essentially hold:

- ⤴ Socialism involves the replacement of the private ownership of the means of production by state ownership.
- ⤴
- ⤴ Socialism is the first stage after capitalism and is succeeded by the higher stage, communism.
- ⤴
- ⤴ Development of the productive forces is the condition for communism.
- ⤴
- ⤴ The principle of distribution appropriate to socialism and the development of productive forces is in accordance with one’s contribution.

In short, socialism in this conception is the stage in which you develop productive forces and thereby prepare the way for the higher stage. Further, an important characteristic of the socialist stage is the place of material incentive, the application of the ‘socialist principle’ of ‘From each according to his ability, to each according to his work.’

The Soviet Constitution of 1936 offers a classic version of this vision of socialism. According to Article 11, socialism is a society in which economic life is “determined and directed by the state national economic plan with the aim of increasing the public wealth, of steadily improving the material conditions of the working people and raising

their cultural level....” And, Article 12 reads that “In the U.S.S.R. work is a duty and a matter of honor for every able-bodied citizen, in accordance with the principle: ‘He who does not work, neither shall he eat.’” The principle applied in the U.S.S.R. is that of socialism: ‘From each according to his ability, to each according to his work.’” (Soviet Constitution).

The immediate source of this concept of two stages and a specific ‘socialist principle’ was Lenin. Reading Marx’s distinction in *The Critique of the Gotha Programme* between the new society as it initially emerges and that society once it has produced its own foundations, Lenin labelled these as two separate stages, socialism and communism. And, he asked in *State and Revolution*, what would be the character of the state after capitalism? His answer was that a state would be unnecessary in the higher stage of communism. However, a state would clearly be required within socialism. Why? *Because until such time as it was possible to distribute products in accordance with needs and until such time as it was possible to allow people to choose whatever activities they wished, a state was necessary.*

The state was necessary within socialism, Lenin argued, in order to apply the rule of law as “regulator (determining factor) in the distribution of products and the allotment of labour among the members of society.” Indeed, he insisted, until the higher stage, “the strictest control by society and by the state over the measure of labour and the measure of consumption” would be essential. “He who does not work, neither he shall not eat” was one principle that would be applied strictly, as would “the other socialist principle: ‘An equal amount of products for an equal amount of labour’.”

Further, this need for the state to regulate “the quantity of products to be received by each” would continue until the socialist stage brought about “an enormous development of productive forces.” The latter would be the “economic basis for the complete withering away of the state” and the development of communism. “To each according to his needs” would be possible as a basis of distribution for people only “when their labour becomes so productive that they will voluntarily work according to their ability.” (Lenin, 1965: 114-15).

But, how did this conception of two stages (“stages of economic ripeness”) and of the specific socialist principle relate to Marx’s view? In his *Critique of the Gotha Programme*, Marx did indeed distinguish between a communist society “as it has developed on its own foundations” and one “just as it emerges from capitalist society; which is thus in every respect, economically, morally and intellectually, still stamped with the birthmarks of the old society from whose whom it emerges.” Further, he explicitly recognized that it was “inevitable” that the latter society “when it has just emerged after prolonged birth pangs from capitalist society” would be characterized by ‘defects.’

However, this conception of two stages distorts Marx’s perspective. In Marx’s understanding, there was *one organic system* -- a system that necessarily emerges initially from capitalism with *defects*. Like every organic system, that system is in the process of *becoming*; it is a system that begins not with premises that it itself has produced but, rather, with *historical* premises, *inherited* elements. Accordingly, like other organic systems in the process of becoming, like capitalism itself, socialism must go beyond what it has inherited to produce its own premises; it has to generate premises in their *socialist* economic form.

Once socialism does produce its own premises, then we can say that the system “has *developed* on its own foundations.” This process of development is the process of becoming the organic system of socialism: “its development to a totality consists precisely in subordinating all elements of society to itself, or in creating out of it the organs it still lacks. This is historically how it becomes a totality.”

Socialism, in short, must subordinate the defects it inherits -- not transform them into a principle that must be enforced by the state! But, how do you build the new society based upon a defect? Indeed, it is by means of the designation of separate stages of socialism and communism that an alien principle is smuggled into a Marxist conception of socialism.

7. Building upon self-interest undermines the development of socialism.

Marx was very clear in his *Critique of the Gotha Programme* in describing socialism as it emerges from capitalist society as “in every respect, economically, morally and intellectually, still stamped with the birth marks of the old society from whose womb it emerges.” Characteristic of socialism as it emerges was a particular ‘defect’ -- an ‘inevitable’ defect. And, that defect is revealed by the continued existence of an exchange relation: “accordingly, the individual producer receives back from society—after the deductions have been made—exactly what he gives to it.” It is an exchange not of commodities (“the producers do not exchange their products”), but it is an exchange of one’s labour with society: “the same amount of labour which he has given to society in one form he gets back in another.”

To grasp the significance of Marx’s identification of this relation as one of exchange, it is important to recognize how deeply he felt about exchange relations. In his earliest comments about political economy, he stressed that its starting point was the premise that we are separate, that the community of human beings is at its core a relationship of separate property owners. This is how political economy views society, he proposed: it “starts out from the relation of man to man as that of property owner to property owner.” (Marx, 1844a: 217)

When we produce in this relationship, Marx observed, “I have produced for myself and not for you, just as you have produced for yourself and not for me.” In other words, I am not producing for you as another human being. “That is to say, our production is not man’s production for man as a man, i.e., it is not social production.” Rather, its logic is “Give me that which I want, and you shall have this which you want.” And, he noted that “since our exchange is a selfish one, on your side as on mine, and since the selfishness of each seeks to get the better of that of the other, we necessarily seek to deceive each other.” We struggle against each other, and “the victor is the one who has more energy, force, insight, or adroitness.” (Marx, 1844a: 225-26).

How different it is if we relate to each other as human beings. If our relationship is that of being part of the human family, then if you have a need, I would want to help. When we relate as owners, however, your need does not induce me to help you as another human being. On the contrary, your need gives me power over you. Your needs make you dependent upon me: “Far from being the means which would give you power over my production, they are instead the means for giving me power over you.” At the same time, however, my needs give you power over me. We struggle against each other because we are, in fact, separate self-seekers. (Marx, 1844a; 225, 228).

What kind of people are produced in this relationship which begins from “the separation of man from man”? Very clearly, people who remain alienated from each other, from our activity and from our own products. Indeed, we are the property of our own products, we are in “mutual thralldom to the object.” And there is no obvious escape from inside this relation. If I were to say to you that I have a need, ‘it would be recognized and felt as being a request, an entreaty, and therefore a humiliation, and consequently uttered with a feeling of shame, of degradation.’ (Marx, 1844a: 227).

Marx never moved away from this view of the exchange relation. In the *Grundrisse*, he wrote that in exchange, despite “the all-round dependence of the producers on one another,” those producers are separate and isolated; there is “the total isolation of their private interests from one another.” What exists, accordingly, is “the connection of mutually indifferent persons.” And, “their mutual interconnection--- here appears as something alien to them, autonomous, as a thing.” In the “reciprocal and all-sided dependence of individuals who are indifferent to one another,” the connection of people exists as a relation “external to the individuals and independent of them”; it is, in fact, a power over them. Our own social product, this connection of “mutually indifferent individuals,” drives us and gives us impulse. The market is our connection as mutually indifferent individuals, and it is a power over us. (Marx, 1973: 156-58).

This is the context in which to understand Marx’s critique of the cooperative factories which emerged in the mid-nineteenth century. These cooperative factories, he said, demonstrated that workers do not need capitalists; they were in this respect a great advance, “the first examples of the emergence of a new form.” But that new form was emerging “within the old form.” The cooperatives were reproducing “all the defects of the existing system.” They did not go beyond profit-seeking and competition. While combining workers on a new basis and abolishing the opposition between capital and labour, this cooperative production remained an isolated system “based upon individual and antagonistic interests,” one in which the associated workers had “become their own capitalist,” using the means of production to “valorize their own labour.” (Marx, 1981: 571; Lebowitz, 2003: 88-89, 215).

Individual and antagonistic interests, too, marked the experience in the self-managed enterprises of Yugoslavia, which were oriented toward maximizing income per member of each individual enterprise. About these, Che Guevara, noted in 1959, each firm was “engaged in violent struggle with its competitors over prices and quality.” And, he commented that this was a real danger because this competition could “introduce factors that distort what the socialist spirit should presumably be.” (Tablada, 1989; 111-12).

Let us come back now to Marx’s comments in the *Critique of the Gotha Programme* about the defect in socialism as it first emerges. “The same principle,” he noted, “prevails as in the exchange of commodity-equivalents: a given amount of labour in one form is exchanged for an equal amount of labour in another form.” What we see here is the continuation of ‘bourgeois right’: the claims of individual producers upon society’s output are determined not by their membership in society but, rather, are “proportional to the labour they supply.” (Marx, 1875: 23-4). And Marx explicitly called this a ‘defect’; it was a defect in the relation of distribution -- a relation often described as distribution in accordance with work (or contribution).

Yet, as Marx pointed out, it was a ‘mistake’ of the Gotha Programme itself to stress “so-called distribution.”

Relations of distribution, after all, are only the ‘reverse side’ of relations of production; they cannot be treated “as independent of the mode of production.” *So, precisely what is the relation of production that generates this particular distribution rule?* (This is a question that has been asked far too seldom despite much invocation of the phrase, ‘bourgeois right’). The relation of production that underlies this specific relation of distribution involves *production by private owners of labour-power*. Despite the common ownership of the means of production, labour-power remains here private property:

The capitalist mode of production... rests on the fact that the material conditions of production are in the hands of non-workers in the form of property in capital and land, while the masses are only owners of the personal condition of production, of labour power. (Marx, 1875: 23, 25).

Common ownership of the “material conditions of production,” thus, is only a *partial* passage beyond the “narrow horizon of bourgeois right.” Insofar as producers relate to each other as the “owners of the personal condition of production, of labour power,” each producer (group of producers) demands a *quid pro quo* for the expenditure of her (their) activity. Each seeks to maximize income for a given quantity of labour (or to minimize labour for a given income). “Give me that which I want, and you shall have this which you want,” after all, implies its opposite: if I don’t get the equivalent, you shall not have what you want. As separate owners of labour-power, the interests of society do not guide the activity of producers.

And, what is the effect of this defect of private ownership of labour-power and self-interest? *Inequality*. Marx pointed out that an exchange of equivalents by which a producer is entitled to receive “the same amount of labour which he has given to society” is a ‘*right of inequality*’ that “tacitly recognizes unequal individual endowment and thus productive capacity as natural privileges.” The only thing that matters in such a social relation is how much labour an individual has contributed. But, how could this be accepted as a just relationship in a socialist society? *It is an entirely one-sided perspective!* Unequal individuals are considered “from one *definite* side only, for instance, in the present case, are regarded *only as workers* and nothing more is seen in them, everything else being ignored.” (Marx, 1875: 23-24).

In short, *just like the political economy that Marx criticized in his earliest writings*, the conception of distribution according to contribution looks at the producer “only as a *worker*.... It does not consider him when he is not working, as a human being.” (Marx, 1844b: 241). Unlike many of his followers, this was a perspective that Marx always rejected. Indeed, precisely because differences in ability imply no differences in needs, *The German Ideology* argued that “the false tenet, based upon existing circumstances, ‘to each according to his abilities,’ must be changed, in so far as it relates to enjoyment in its narrow sense, into the tenet, ‘to each according to his need’; in other words, a *different form* of activity, of labour, does not justify *inequality*, confers no *privileges* in respect of possession and enjoyment.” (Marx and Engels, 1846: 537-38).

As we can see, Marx was very critical of the inequality that flows from this ‘defect’; however, he vastly *understated* the inequality that emerges as the result of the self-oriented activity manifested in the social relation of exchange. People differ in far more than the ‘individual endowments’ to which he pointed. Producers also possess

different particular means of production. And, insofar as those means of production are possessed by self-seeking producers (even with common ownership and worker management), the result of this differential access to particular means of production will tend to be that some owners of labour-power are able to secure benefits from which other members of society are excluded -- that is, for the rule of distribution to become “to each according to his contribution and that of the means of production he possesses.”

And that was precisely what occurred in Yugoslavia. Some workers had access to much better means of production than others, and the unemployed had access to no means of production. Growing inequalities in Yugoslavia were the product of monopolies: the ability to exclude others from particular means of production. Rather than social property, what existed was *group property*. “Although social property may be legally established,” the leading Yugoslav economist, Branko Horvat noted, “this difference in incomes or the relative size of nonlabour income in privileged industries reflects the degree of privatization of social property.” (Horvat, 1982: 238).

Return then to the question of the becoming of socialism as an organic system. Socialism inherits defects from capitalism and its development into a new organic system “consists precisely in subordinating all elements of society to itself, or in creating out of it the organs which it still lacks.” And the defect it especially must subordinate is that ‘right of inequality’ that views members of this society “only as workers and nothing more is seen in them, everything else being ignored.” This one-sided conception, Marx recognized, does not look upon producers as human beings. So, how can you build the new society by relying upon self-interest and the desire of owners of labour-power for an equivalent return for their activity? How can you make the defect inherited from capitalism a principle to be enforced by the state?

This is precisely the point made by Che in his *Man and Socialism in Cuba*:

The pipe dream that socialism can be achieved with the help of the dull instruments left to us by capitalism (the commodity as the economic cell, individual material interest as the lever, etc.) can lead into a blind alley. And you wind up there after having travelled a long distance with many crossroads, and it is hard to figure out just where you took the wrong turn (Tablada, 1989: 92)..

In fact, that reliance upon “the dull instruments left to us by capitalism” does more than merely “lead into a blind alley.” To build upon material self-interest is to build upon an element from the old society; and, it points backward! It points back toward capitalism.

8. The key link of human development and practice points to a different socialist principle.

If we begin from the recognition of the importance of the key link and understand that every process of activity, every process of production, generates a joint product, then it should be clear that the people produced in an exchange relation are not those who will build a new socialist society. After all, what kind of people are built where

self-interest is the dominant principle? What are the joint products of that process?

To build the new society, as Che knew, it is necessary, simultaneous with new material foundations, to build new socialist human beings. And that means that the relations within which people act must be those which produce those new people. Those are relations of a communal society, where productive activity is undertaken not out of self-interest and where there is not an exchange of things but an exchange of activity for communal needs and purposes.

For Marx, it was the expansion of what a person is entitled to “in his capacity as a member of society” that marks the development of the new society. “That which is intended for the common satisfaction of needs,” he pointed out, “such as schools, health services, etc... grows considerably in comparison with present-day society and it grows in proportion as the new society develops.”(Marx, 1875: 23-24). This portion grows as we look upon others as human beings -- where we move away from viewing people from “one definite side only,” where they are “regarded only as workers and nothing more is seen in them, everything else being ignored.”

That is the socialist principle: producing for the needs of others as members of a human society. It is a principle which must increasingly subordinate the defects inherited from capitalism; and it is a principle which does not distinguish between a lower and a higher stage -- because there is only one system.

We are left here, though, with a problem of terminology. If we reject the idea of two separate stages and a specific ‘socialist principle’ and replace it with the idea of a single organic system which is in the process of becoming, what should we name that society? Socialism? Communism? Or something else? Marx generally called it communism, especially in his mature work, and I have followed Marx in this respect in the past. However, I no longer think this is the appropriate terminology to use in the twenty-first century.

The term ‘communism’ communicated something different when Marx wrote in the nineteenth century. Communism was the name Marx used to describe the society of free and associated producers: “an association of free men, working with the means of production held in common, and expending their many different forms of labour-power in full self-awareness as one single social labour force.” But very few people think of communism that way now. In fact, people hardly think of communism as an economic system, as a way in which producers organize to produce for the needs of all! Rather, communism is now viewed as a political system; in particular, as a state that stands over and above society and oppresses working people.

In *State and Revolution*, Lenin called attention to Engels’ refusal to use the term ‘Social-Democrat’ because “at that time the Proudhonists in France and the Lassalleans in Germany called themselves Social-Democrats.”(Lenin, 95, 117). It was a political decision under concrete circumstances. The same logic applies, I think, to anyone at this time more interested in transforming society than in scholasticism. We need to understand how the experience of the twentieth century has grasped the minds of the people who must be reached. As President Chavez indicated in his speech at the 2005 World Social Forum, we have to ‘re-invent’ socialism. That is another reason to stress the term which the Young Marx employed when describing “the goal of human development, the form of human society”: *socialism*.

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