



7—Toward a Society of Associated Conductors

In the society of associated conductors, producers cooperate in the process of producing for their needs and simultaneously produce themselves as socialist human beings. It is a society in which people are able to develop their full potential, that “rich individuality which is as all-sided in its production as in its consumption.” In the society of associated conductors, producers are no longer means to someone else’s end; rather there is what Marx called “the inverse situation, in which objective wealth is there to satisfy the worker’s own need for development.”¹

Human development is at the core of this society—not through the delivery of gifts from above but through the activity of free and associated producers. As noted in the Introduction, this is a society characterized by democracy as protagonism: “Democracy in this sense—protagonistic democracy in the workplace, protagonism in neighborhoods, communities, communes—is the democracy of people who are transforming themselves into revolutionary subjects.”

Real Socialism, a society divided into conductors and the conducted, was clearly not a society of associated conductors. That was its fundamental contradiction.



THE FUNDAMENTAL CONTRADICTION OF REAL SOCIALISM

The fundamental contradiction of Real Socialism is inherent in vanguard relations of production. Although the immediate source of crisis was the struggle between the logic of the vanguard and the logic of capital, the underlying basis was the nature of a society divided into conductor and the conducted, that is, between vanguard and the working class.

Characteristic of vanguard relations is that the domination over workers prevents the development of their capacities, ensures their alienation from the production process, and holds back the development of productivity, that is to say, the development of the productive forces of workers. However, this is only one side of those relations. The other side is the drive of the vanguard to push for growth, for the expanded reproduction of means of production, with the explicit purpose of building socialism.

Given the nature of the workers produced under vanguard relations, however, the vanguard must rely upon managers to act on its behalf to ensure the achievement of its goals. Yet the managers, who have a particular relation to the means of production (that is, possess those means of production), increasingly become conscious of their own particular interests; they act according to a logic of their own that is not identical to the logic of the vanguard. The managers indeed emerge as a class in itself; and their efforts to pursue their own interests interact with the attempts of the vanguard to enforce its property rights.

Thus the struggle between vanguard and managers displaces the relation between vanguard and workers as the contradiction producing the particular movement of Real Socialism. That contested reproduction generates a crisis that historically has led to the logic of the vanguard being increasingly subordinated by the logic of capital. This crisis cannot be resolved by "reforms." For one, no reform as such resolves the fundamental contradiction of Real Socialism—the domination of workers by the vanguard. For another, every new step in this process of subordination by emerging capital, every despotic inroad on the property rights of the vanguard, reveals yet another inadequacy in a system that still contains the logic of the vanguard. Accordingly, capital is compelled to make



further inroads upon vanguard relations in order to produce all its own conditions of existence. And, it does—with the aid of the vanguard state.

Is there no alternative exit from Real Socialism—one that goes beyond vanguard relations in the direction of socialism?

THE GERMS OF SOCIALISM

Socialism does not drop from the sky “nor from the womb of the self-positing Idea” (which is to say, from the minds of theorists). Rather, it comes “from within and in antithesis” to the existing society.² This means we cannot ignore the specifics of those societies. In *Build It Now*, I argued: “Every society has its unique characteristics—its unique histories, traditions (including religious and indigenous ones), its mythologies, its heroes who have struggled for a better world, and the particular capacities that people have developed in the process of struggle.”³

We need to understand the people within these societies—in particular, what they identify as fair and just. If we want to look beyond Real Socialism, can we ignore the moral economy of the working class that has been produced and reproduced within those societies? In E. P. Thompson’s words, “If a future is to be made, it must be made in some part from these. It will not be made out of some Theorist’s head.”⁴

In itself, the moral economy of the working class does not point beyond Real Socialism. Rather, in the absence of changes in the underlying structure, the interaction between the moral economy of the working class and the concern of the vanguard about worker responses to deviations from existing norms tends to generate feedback mechanisms that restore an apparent equilibrium. But were there any latent elements present in the ideas of the working class from which a socialist future could be made?

In their orientation toward egalitarianism, we can see glimpses of one such characteristic—the focus upon the common ownership of the means of production. To the extent that workers in Real Socialism accept that they are common owners, they may feel they are entitled to share equally as owners (thereby implicitly asserting that the distribution of the



fruits of production should correspond to the distribution of the ownership of the means of production). As the repeated exhortations of the vanguard against egalitarianism demonstrate, this sense of entitlement had lasting power in the minds of workers.

The social contract fostered and reinforced this aspect of the moral economy of the working class. However, that moral economy broke decisively with the perspective of the vanguard with respect to the popular consensus about theft by individuals. State property “was collective, i.e. partly their property after all!”⁵ This was not the only way, however, in which the ideas of the working class departed from the ideas embodied in vanguard relations.

Workers also learned from their own experience within the sphere of production. The shortage economy, with the uncertainty produced by “the fluctuating quantity and quality of inputs on the one side, and the pressure from plan targets on the other,” stimulated what Burawoy called “the workers’ spontaneous collaboration.” He argued that it was their collective improvisation and “spontaneous cooperation that made production possible in the socialist factory.” The effect was to build solidarity within the workplace: “A shortage economy required a spontaneous and flexible specialisation on the shop floor that gave rise to solidarities that could fuel a working-class movement against state socialism.”⁶

From the workplace thus came a particular common sense: the moral economy of workers contained a sense of their own collective power as workers and latent support for workers’ control. However, unlike the “conception of distributive and social justice that gave central place to material welfare and egalitarianism,” which, according to Cook, party and people shared, this was certainly not something “the Soviet state delivered.”⁷ On the contrary, inherent in vanguard relations was *opposition* to worker power and decisions from below.

Of course, no organized campaign for worker power was possible in normal circumstances under the conditions imposed by the vanguard. Workers, though, did not wait for a violation of existing norms to engage in “resistance ranging from shirking, grumbling, foot dragging, false compliance, dissimulation, and other ‘weapons of the weak.’”⁸ There was a broad consensus among workers and support for resistance to



domination and exploitation from above. Class struggle, as represented by individual acts and the support they received, was an essential part of a process of deepening the consensus among workers.

But what allows us to propose that the set of ideas of workers in Real Socialism included an orientation toward workers' power? Very simply, just as Thompson identified in the spontaneous food riots of the eighteenth century an underlying moral economy of the crowd, so does the spontaneous emergence of workers' councils at points of weakness in the system allow us to infer the existence of an underlying consensus among workers. What is the probability of observing developments such as those in Hungary in 1956 and Poland in 1980 in the absence of the presence of these elements in the moral economy of the working class in Real Socialism?⁹

There is an additional reason for assigning a high probability to the orientation toward worker decision making—the actions of the vanguard itself when it sought to shore up support for its role. In Yugoslavia in 1950 and Czechoslovakia in 1968, the vanguard demonstrated its own belief about what would move workers by introducing self-management of individual workplaces, and their understanding of the perspective of workers in Real Socialism was validated by the enthusiastic embrace of this option by workers.¹⁰ Perestroika initially included gestures in this direction as well, but these were quickly undermined by the power of the managers and the retreat of the vanguard.¹¹

Two elements are latent in the moral economy of the working class—social ownership of the means of production and social production organized by workers, that is, two sides of the socialist triangle described in this book's Introduction (and developed in *The Socialist Alternative*). Both imply the concept of “the cooperative society based on the common ownership of the means of production.” Yet cooperation within a society involves more than cooperation within the sphere of production (even if production is understood to include activity outside formal workplaces, for example, within communities). It also encompasses cooperation with respect to the determination of the *purpose* of productive activity. Fully developed, such a society focuses directly upon social needs, that is, on production for communal needs and purposes—the third side of the



socialist triangle. That side, too, is latent in the moral economy of the working class within “Real Socialism.”

For that third side, the key concept is solidarity. In the solidarist society, people do not relate as owners, demanding a *quid pro quo* for parting with their property or their labor. Their starting point is not that of self-oriented owners, but rather the concept of a community: “a communal production, communality is presupposed as the basis of production.” Our activity as members of the community is the “offspring of association.” It is “posited from the outset as social labour,” as labor for all, and the product of our activity “is a communal, general product from the outset.”¹² In the solidarist society, we produce ourselves as conscious social beings: there is “*communal* activity and *communal* enjoyment—i.e., activity and enjoyment manifested and affirmed in *actual* direct association with other men.”¹³

The germ of such relations is present in the relations among people within Real Socialism when they help one another without demanding an equivalent in return. For Ledeneva, *blat* was such a relation—one that “engenders regard for and trust in the other over the long term.” In contrast to a relation in which alienated, mutually indifferent individuals exchange alienated things, she proposed that *blat* relations were similar to gift exchange insofar as the latter “underwrites social relations and is concerned with social reproduction.” *Blat* builds upon social relations that already exist, and the reciprocity in those relations is “created and preserved by a mutual sense of ‘fairness’ and trust.” In *blat* relations, people are available to each other, understand each other’s values and there is “a set of normative obligations to provide assistance to others so they can carry out their projects.”¹⁴

An “economy of favours” is how Ledeneva described the Soviet Union. And the concept of a “gift” that she introduces is significant because the solidarist society is precisely a “gift economy”—one in which those who give are rewarded not by the anticipation of what they may receive at some point in return but rather by the way in which they “construct themselves as certain kinds of people, and build and maintain certain relationships of debt and care.”¹⁵ Characteristic of the gift economy is that those who receive in this relation also give—not because



reciprocity is externally imposed but because *not* to give violates one's own sense of virtue and honor. The gift relation thus presumes people who have a bond, people who have a past and hope to have a future, and its product is the enhancement of solidarity.

Acting within this relation builds trust and solidarity among people, and its joint product is people who are different from the products of exchange relations. Rather than your needs being the means "for giving me power over you" (as in the relation of exchange between "mutually indifferent persons"), by producing consciously to satisfy your needs, I look upon my activity as having worth. In Marx's words, "I would have directly *confirmed* and *realised* my true nature, my *human* nature, my *communal* nature."¹⁶

In gift relations, givers are rewarded "because thinking about another person's happiness" frees them: "Liberation results from relinquishing considerations of personal benefit to affirm a commitment to caring for another person."¹⁷ In such a relation, one does what one can to the best of one's ability—as in the case of "mothering." Activity and enjoyment are one; our activity becomes "life's prime want." In the moral economy of the working class in Real Socialism, we can glimpse not only the orientation to social ownership of the means of production and social production organized by workers but also communal needs and purposes as the goal of productive activity—the third side of the socialist triangle.

Latent in the moral economy of the working class of Real Socialism is the potential for a different type of society—a cooperative society in which people relate consciously as members of a community. It is a society in which cooperation itself is a process of gift-giving, where we can develop all our powers without restraint. Rather than a society divided into conductors and conducted, this is a society of "free individuality based on the universal development of individuals and on the subordination of their communal, social productivity as their social wealth."¹⁸

In the society of associated conductors, "productive forces have also increased with the all-round development of the individual, and all the springs of co-operative wealth flow more abundantly."¹⁹ Whereas the productive forces developed within capitalism and vanguard relations



“distort the worker into a fragment of a man” and “alienate from him the intellectual potentialities of the labour process,” in contrast the particular productive forces generated within socialist relations foster the all-round development of the producers.

No one could ever confuse this impulse with the logic of the vanguard; nor, obviously, is it the logic of capital. This is the logic of the working class, the logic of associated producers. It is a logic that places full human development at its core and insists that people develop through their activity—one which grasps the “key link . . . the coincidence of the changing of circumstances and of human activity or self-change.”

For that society of associated producers to be developed, however, the elements of the old society must be subordinated. The necessary process is one of “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.”²⁰

SUBORDINATING VANGUARD RELATIONS

What is necessary, then, for the development of socialism as an organic system? Let us review how capitalism emerged as an organic system. As discussed in *The Socialist Alternative*, the historical sequence involved in the “becoming” of capitalism proceeded from (a) *the emergence of a particular subordinated social relation* (that is, merchant and moneylending capital) that developed within precapitalist productive relations.²¹ At a certain point, there was (b) *a rupture in property rights* with the result that those who were oriented to the expansion of capital became owners of the means of production (for example, land) and were in the position to determine the character of production and to introduce capitalist relations of production.

Yet, though the rupture of property rights was a necessary historical precondition, it was not a *sufficient* condition for capitalist relations of production: those peasants separated from the means of production could either rent land or sell their labor-power. In short, there was a further condition: it was necessary for capital to “seize possession of



production” to establish the capital relation; only then, when workers were now compelled to sell their labor-power to survive, could we speak of (c) *the emergence of a new relation of production*.

The reproduction of this relation remained tenuous, however, so long as the “subordination of labour to capital was only formal”—that is, while capital was still dependent upon premises (in particular, the mode of production) inherited from the previous society. Accordingly, (d) *development of a specific mode of production* was the means by which capitalism produced its own premises spontaneously—that is, became a self-reproducing system that rests upon its own foundations. Yet until that time when capital was successful in developing a specifically capitalist mode of production, it required a specifically capitalist mode of regulation (the coercive power of the capitalist state) to ensure the reproduction of capitalist relations.²²

In this context, let us speculate about a process of transcending Real Socialism. We have already suggested the route by which *capitalist* relations emerge and subordinate Real Socialism: the managers are successful in ending the power of the state to direct them and they thereby gain property rights over the means of production (the rupture), seize possession of production, and use the state to ensure the destruction of the power of both vanguard and workers. Our concern here, though, is with the possibility of an alternative *socialist* path from Real Socialism.

The social relation among workers within Real Socialism includes solidarity within individual workplaces and communities, a shared view of themselves as collective owners of the means of production and the general understanding that domination by the vanguard prevents all workers from acting collectively on their own behalf. It is the last of these that in a moment of crisis can lead workers to challenge the existing rule by the vanguard.

Given state ownership of the means of production, no juridical rupture in property rights would be necessary for workers. However, as we have seen, the real owner of the means of production in general and within individual units of production (to the extent that it controls the managers) is the vanguard. Accordingly, a rupture is required both in general and in particular to make the means of production the real



property of the working class. "The replacement of possession by the state administration with ownership-exercise by society as a whole" (in Hegedus's words) as well as replacement of managerial power with the power of workers is the rupture that is necessary for the development of democratic control by the working class in both the state and individual units of production.

But what is democratic control? Within both workplace and society, the ability of workers to choose those who manage ruptures ownership by the vanguard party. Election of managers by workers in each workplace and election of the governing bodies of society would affect property rights over the means of production. *But this would not be sufficient to change the relations of production.* Even if those at the top are now responsible to those below, the real relations of conductor and conducted are unchanged. The result is that hierarchical relations can easily restore a class division within society: the managers can dominate the workers, and the state can stand over and above society—even though the faces of those who dominate may change.

New relations of production require the workers to seize possession of production. Where workers' councils emerge to direct activity, dispose of the means of production, and determine the use of surplus products (and, in the process, end the division between thinking and doing), a new relation of production would be established—one where workers are able to develop their capacities. Yet those new relations must not only be produced—they must be reproduced. And that is not at all an automatic process.

In the absence of a specifically socialist mode of production that "develops a working class which by education, tradition, and habit looks upon the requirements of that mode of production as self-evident natural laws," there is always the potential for the non-reproduction of socialist relations.²³ Until socialism develops as an organic system, its elements exist alongside elements of different systems. Under the concrete circumstances of "Real Socialism," a mode of regulation must be developed that subordinates the logic of both vanguard and capital. However, it also must subordinate the spontaneous tendencies characteristic of workers produced within "Real Socialism."



THE BIRTHMARKS OF THE OLD SOCIETY

The society of associated producers necessarily emerges “in every respect, economically, morally and intellectually, still stamped with the birth marks of the old society.” It cannot produce its own premises at the outset any more than capitalism could. It inevitably will be dependent upon elements that must be subordinated.

But what are those elements? To speak about birthmarks that affect the new society “economically, morally and intellectually” is to begin by talking about people formed with particular ideas within the old society. Accordingly, we need to ask again, *who are the people produced within Real Socialism?*

Not all characteristics of workers produced and reproduced within Real Socialism point in the direction of the society of associated producers. One that does not is their orientation toward self-interest. Consider the behavior of workers in the workplace under vanguard relations. In the sphere of production, we see people who are self-oriented and focused upon increasing income and reducing the length and intensity of the workday. They are alienated from their activity and from the products of their labor. Workers, after all, are active participants in the process of “storming,” and they do so without regard to those inferior products created in the process. If they were not focused upon their bonuses but upon use-values, how could such waste continue to be produced? These are not people who think about the interests of society.

Further, their treatment of state-owned means of production reveals a tendency toward spontaneous privatization. For some, theft of materials is for the purpose of direct exchange with others who have money or other materials; for others, the theft is for the purpose of using the means of production as inputs for producing goods and services as part of the “second economy.” Indeed, the very existence of that second economy (or “shadow economy”) is significant. Although it did not only involve stolen state property, the size of that sector in the USSR at the end of the 1980s indicates the extent to which the state economy was not the only productive relation within which people functioned: more than a fifth of the working population (some 30 million people) was engaged in the



shadow economy, and “in some branches of the service sector (house-building and repairs, car repairs), it was responsible for between 30 and 50 per cent of all the work undertaken.”²⁴

It is likely an exaggeration to propose that such second-economy activities were so fundamental to the day-to-day working of Soviet society that “the system could not have functioned” without them.²⁵ However, those activities clearly were intertwined with the social contract: “The low intensity and low productivity of the working day, which were at the heart of the ‘social contract’ between workers and the state, facilitated ‘work on the side’ (cultivation of private plots, etc).”²⁶ Naturally, those who expend time and energy in shadow-economy activity rationally want to minimize the intensity of their work in their formal state employment.

In defending a workday of low intensity as well as the actions of individuals, there is solidarity among these workers, but it is the solidarity of alienated workers; and it is solidarity within boundaries—those of the working group. Although there may be solidarity with other workers over common grievances (like price increases), the solidarity produced within the workplace is not an abstract solidarity focused upon society as a whole but is oriented to the specific group. Insofar as the goal of workers within this group is to maximize their income, they work together to ensure success in following the dictates of the plan and thereby securing the associated bonus rewards. It is not a great leap, then, to suggest that, if freed from the domination of instructions from above, they would be spontaneously inclined to work together to follow the dictates of the market as an *alternative* means of maximizing income.

Thus, rejecting their powerlessness in the workplace, the aspirations of workers in Real Socialism may lead them in the direction of a market self-management model characteristic of the former Yugoslavia. To realize such a latent goal, of course, would require workers to encroach upon the property rights of both the vanguard and the managers. By removing controls both *over* the enterprises (by the vanguard) and also *within* the enterprises (by managers), workers could transform the means of production they possess by virtue of their job rights into their own group property. They then would be in the position to manage the enterprises (which, as in Yugoslavia, could remain juridical state property) and to



produce for the market with the goal of maximizing income per member of the enterprise.

We need to recognize, however, that there can be a significant difference between the form and essence of worker-management. Within Real Socialism, these workers are the product of a clear division between thinking and doing. In the absence of having developed the knowledge to self-manage, the desire to maximize income generates a spontaneous tendency to follow those who do have this knowledge—managers and experts. The wisdom of “we do our job well and we expect managers to do their job well” that emerged with market self-management in Yugoslavia can logically follow. Worker-management can become the rubber-stamping of proposals by experts rather than the development of the capacities of workers. In this case, the form of worker-management can be present but not its essence.

There is the possibility that workers can progressively develop the technical capacity to self-manage. But as long as the overriding goal is that of maximizing income per worker, developing their individual and collective capacities may be suspended in order to succeed in the market. This is only one element of a socialist society that is suspended when collective (but circumscribed) self-interest dominates. By putting workers into competition with one another, market self-management tends to produce a society marked by inequality and the absence of solidarity.²⁷ As such, it threatens *other* relations among workers in Real Socialism—their relations *outside* the workplace, outside of vanguard relations.

What the market yields, after all, differs for all working groups. As commodity-sellers within a market, the fortunes of each working group depend not only upon their own efforts but also upon luck and access to particular means of production. In the absence of a focus upon solidarity with other workers or society as a whole, the probability of significant inequality (as occurred in market self-management in Yugoslavia) is high. This is a disease that kills solidarity within society.²⁸

But can lack of solidarity between workplaces within the society be counteracted by solidarity within the community? In other words, when we look at the concept of the gift economy as manifested in the relations among people within Real Socialism, can we see the potential



for preventing growing inequality and the lack of development of human capacities? Again, we have to note some of the deficiencies inherent in the producers produced within Real Socialism. Those social relations that latently contain within them the concept of the gift economy exist, as we have seen, as relations within small networks. Here again, the solidarity is solidarity within boundaries—*group* solidarity.

Within these gift relations, the recipient of the gift always has a face. In other words, there are families, networks, and grouplets where the solidarity of the gift economy exists. Outside of these particular horizontal links, however, solidarity is only latent; within them, society in the abstract has little relevance. On occasion it is possible to mobilize people successfully from above to cooperate in the general interest of society in order to meet specific goals (harvests, irrigation works, etc.) or to deal with crises (floods and hurricanes, etc.). However, orientation to the abstract needs of society does not flow spontaneously from the networks of gift relations. It is faceless, with the result that such cooperation may appear as an externally imposed social duty rather than as a free expression of oneself.

For people formed within Real Socialism, participation in such activity may look like more of the same—alienated activity that requires attendance but does not stimulate activity in accordance with one's ability. The result of externally directed cooperation, indeed, may be "resistance ranging from shirking, grumbling, foot dragging, false compliance, dissimulation, and other 'weapons of the weak.'" The solidaritarian society that is the premise for productive activity for communal needs and purposes does not develop spontaneously.

If social production organized by workers and production for social needs are both infected as the new society emerges from the old, so also is the third side of the socialist triangle—social ownership of the means of production. What we see is the spontaneous tendency toward group property rather than social property. Insofar as the workers formed within Real Socialism possess their particular units of production and are oriented toward maximizing their income, their possession is turned into their property. As I wrote in *The Socialist Alternative*, "When differential possession or differential development of capacities (neither of



which imply antagonism in themselves) are combined with self-interest and self-orientation to produce the belief in and desire for privileged entitlement, the tendency is toward the disintegration of the common ownership of the means of production."²⁹

In short, though we can identify germs of a society of associated producers within Real Socialism, it is essential to recognize that these will appear initially in a flawed form. That is to be expected.³⁰ Further, those elements do not develop on their own in a vacuum. Rather, they exist alongside and interact with remnants of the logic of the vanguard and that of capital in a process of contested reproduction. This is the terrain for struggle. But how to struggle?

QUESTIONS RATHER THAN ANSWERS

Nothing is easier than to pull solutions out of one's back pocket. One need not explore particular, concrete circumstances if you already have the answers to all matters of interest. Whether it is the market and private property at one extreme or proletarian revolution and the correct application of Marxism-Leninism at the other—the mantra never ceases to comfort the intrepid. But it can be of little solace to those outside the particular fold.

When the disciple takes as his raw material "no longer reality" but inherited theory, "the *often paradoxical relationship of this theory to reality*" leads the disciple to "*explain away reality*." In this way, Marx commented in relation to Ricardo's disciples, "He demonstrates the beginning *disintegration of the theory* which he dogmatically espouses."³¹

We have attempted in this book to proceed from consideration of concrete phenomena and to develop theoretical insights that allow us to understand those phenomena.³² But it does not mean we now have all the answers, that we can now declare, "Here is truth, kneel down before it!"³³ On the contrary, what our examination of Real Socialism generates are questions rather than answers—questions, in particular, as to the possibilities for building a society of associated producers from the old society of Real Socialism.



There are many reasons why we end up with questions. For one, all experiences of Real Socialism are not identical. Insofar as a new society necessarily emerges in a process of struggle of contested reproduction, the material conditions, the correlation of forces, and the particular capacities that people have developed may differ in each concrete case; as a result, when the matter (as all history) revolves around struggle, the answers may not be identical.

Thus, in contrast to my book *The Socialist Alternative: Real Human Development*, which explicitly set out a general path to socialism with concrete measures, specific organs of a new society, characteristics of a socialist mode of regulation, and a transitional program, our ambitions here are more modest. We ask, simply, what was and is possible within Real Socialism other than a march to capitalism? And we do so not with solutions that fall from the sky (or from our back pockets) or that come from “the womb of the self-positing Idea” but with questions inherent in the specifics of these particular societies we have been considering.³⁴

Two questions in particular present themselves. Firstly, can workers in Real Socialism succeed in rupturing existing property rights, and can they proceed to “seize possession of production”—that is, can they establish new socialist relations of production? Secondly, can they succeed in ensuring the *reproduction* of those productive relations—that is, in the absence of a specifically socialist mode of production, can they develop a socialist mode of regulation that supports the reproduction of the new system before it becomes an organic system?

Let us begin by considering some issues with respect to the first of these questions. The rupture of existing property rights in this case, as noted above, involves a democratic revolution in both workplaces and state. Is this likely in the absence of a significant crisis—given the moral economy of the working class in Real Socialism? Is it likely—given that a characteristic of these workers is acceptance of the existing social contract (and the exploitation it supports)? Though occasional eruptions do occur when there is a violation of the social norms embodied in that contract, as long as the vanguard can restore the old equilibrium, the working class produced within Real Socialism tends not to challenge that pattern of decision making.



But what happens when there is a sustained crisis, when those who rule can no longer rule in the accustomed way by observing the social contract? As matters deteriorate, will workers accept the argument of the vanguard that the crisis has been due to errors such as violations of “the socialist principle” in the social contract and that the solution to the crisis is to unleash the development of the productive forces? Further, in the absence of an articulated logic of the working class, can the growing hegemony of the logic of capital (and the particular rupture of property rights this implies) be avoided?

Let’s assume that the particular conditions within a country do permit a democratic change that transfers the power to make decisions to the working class. This development can occur much more easily within individual units of production than in society as a whole and may be fostered there by the vanguard itself (as a way to maintain vanguard relations in society at large). Whether this shift occurs at the level of individual units (through, for example, creation of workers’ councils with juridical power) or at the level of the economy as a whole, this change in itself would not be sufficient to create new socialist relations of production. Unless the working class seizes possession of production and breaks down the division of thinking and doing through a process of protagonism at every level, doesn’t someone else rule?

In individual units of production, it is possible for workers immediately to begin to exercise real ownership through workers’ councils. And that is important in terms of the development of their capacities. At the level of society as a whole, however, for workers’ goals and decisions to guide activity requires the development of an entire complex of organs—individual workers’ councils, coordinating bodies of workers’ councils, and organs that transmit the identification of needs (communal councils, communes, etc). Can these be established by fiat or does this involve a protracted process of learning and development? And if the latter, is it possible to avoid unevenness?

What happens if workers in self-managed enterprises focus upon their own collective self-interest by attempting to maximize income per worker? If they do so by relying upon managers and experts for all key decisions, doesn’t this ensure that their own capacities remain



underdeveloped and that the logic of capital is strengthened? Further, isn't the spontaneous tendency one of growing inequality—unequal access within society to particular means of production and unequal incomes, that is, unequal group property rather than social property?

In this situation, who speaks for the working class as a whole? Who has the responsibility for dealing with inequality and the existence of unemployment? At what point would less-privileged workers and those who find abhorrent the destruction of the equality and solidarity that does exist (that is, those aspects of the moral economy supported by the social contract) increasingly wish for a restoration of vanguard relations—a return to what Thompson called “a particular set of relations, a particular equilibrium between paternalist authority and the crowd”?

In the absence of the articulation and enforcement of the logic of the working class—a logic that stresses the necessity for building solidarity immediately—is there an institution to which people produced within the old society can turn that is not a state over and above society as a whole? In the absence of the development of the organs of a state from below, how is it possible to avoid the emergence of a new conductor?

How stable, in short, are socialist relations of production as they emerge “in every respect, economically, morally and intellectually, still stamped with the birthmarks of the old society”? Under conditions of contested reproduction, where the logic of the vanguard and the logic of capital continue to infect the new society, what is the mode of regulation that could permit the reproduction of new socialist relations of production?

And then, there is always the question of the actors. Given the nature of people produced within Real Socialism, who are the subjects who can bring about both the creation of socialist relations and their reproduction? What forms of organization and coordination can succeed in subordinating not only the logic of the vanguard and the logic of capital but also the spontaneous tendencies and defects produced by the old society? And in this process, can members of the vanguard play a role—given the nature of their formation?

These are questions that need to be asked—not only to understand better the tragedies of the past but also to avoid the repetition of history. There are no easy answers. However, one thing is certain—in the



ideological struggle, whatever our circumstances, we need to try to articulate what is implicit in current concepts and struggles and to develop a conscious vision of a new society. At the core of such a vision, I have argued, is the concept of the “key link” of human development and practice. To this end, I proposed in *The Socialist Alternative* a simple set of propositions, a “Charter for Human Development” that can be recognized as self-evident requirements for human development:

1. Everyone has the right to share in the social heritage of human beings—an equal right to the use and benefits of the products of the social brain and the social hand—in order to be able to develop his or her full potential.
2. Everyone has the right to be able to develop their full potential and capacities through democracy, participation, and protagonism in the workplace and society—a process in which these subjects of activity have the precondition of the health and education that permit them to make full use of this opportunity.
3. Everyone has the right to live in a society in which human beings and nature can be nurtured—a society in which we can develop our full potential in communities based upon cooperation and solidarity.³⁵

Another thing is certain: it is not possible to build a society of associated conductors in the absence of a theory that articulates the logic of the working class.





8—Good-bye to Vanguard Marxism

After having considered the nature of vanguard relations of production, the contradictions within Real Socialism, the tendency for the emergence of capitalist relations and for an attack on the working class in Real Socialism, any further discussion may seem anti-climactic. However, it is important not to conclude without considering the theory that has accompanied and provided support for those developments. The problem of Real Socialism as such is not the result of the particular circumstances (for example, economic backwardness) under which a correct theory was applied. On the contrary, Vanguard Marxism is deformed Marxism, and if it is not challenged, the results of its application will be essentially the same under any conditions.¹

VANGUARD MARXISM AS ONE-SIDED

“One-sided Marxism,” I argued in *Beyond CAPITAL*, is seriously flawed because of its failure to focus upon the side of the worker.² Marx’s *Capital* had an essential purpose—to arm workers by revealing the underlying nature of capital. The failure to understand, however, that *Capital* had a limited object, that it was a study not of capitalism as



a whole but only of the side of capital, contributed to a distortion of Marx's thought and contribution.

Economic determinism and the functionalism that insists that whatever happens is the result of capital's needs was one aspect of this distortion. For one-sided Marxism, I argued, "if the workday declines, it is because capital needs workers to rest. If the real wage rises, it is because capital needs to resolve the problem of realization. If a public health care system is introduced, it is because capital needs healthy workers and needs to reduce its own costs." And on and on *ad nauseam*. The point was simple: when the needs and struggles of workers are ignored, "it cannot be considered surprising that a one-sided Marxism will find in the results of all real struggles a correspondence to capital's needs."³

This, however, was only one characteristic of one-sided Marxism. When you do not focus upon the side of workers, you don't even grasp the side of capital correctly. You don't recognize, for example, that insofar as workers are subjects, capital must find ways to divide and separate them in order to achieve its own goals. Thus, within capitalism as a whole, the impulse to defeat workers is present in everything that capital does. In short, when capital reorganizes the workplace or introduces new productive forces, its purpose is not efficiency as such but embodies the need to defeat workers in order to increase profits.

If we forget that new productive forces emerge within particular relations of production and are marked by class struggle characteristic of those relations, "the clear tendency is to think in terms of the autonomous development of productive forces and the neutrality of technology. Both conceptions are characteristic of economism."⁴ In part, the problem emanated in Marx's inability to go beyond *Capital* to complete his own work; though far more serious was the failure of Marx's disciples to understand that capitalism is a totality marked by two-sided class struggle. This makes "the acceptance of economism as well as of deterministic and automatic objective laws easy."⁵

We need to go beyond *Capital* if we are to understand the side of workers. Limited to the themes of *Capital*, we do not grasp the importance of struggle as a process of producing and transforming people. And not only class struggle as such—*every* activity produces the people



engaged in it. This is the core concept of Marx's focus upon practice—"the simultaneous changing of circumstances and human activity or self-change"; it is Marx's essential insight—what we have called "the key link" of human development and practice. Failing to stress this, we lose sight of Marx's consistent emphasis upon human development—upon the "rich human being," upon the development of a "rich individuality," upon the "development of all human powers as such the end in itself."⁶

Not to focus upon the forgotten "joint product" of capitalist production—the human beings that capitalism produces—is to minimize Marx's insistence upon how production within capitalist relations cripples workers. One-sided Marxism focuses upon exploitation rather than deformation, upon how much capital takes from the worker (which is, of course, capital's focus) rather than upon the empty, fragmented human beings who look upon capital's needs as "self-evident natural laws." Extracted surpluses, accumulation of capital, and the development of productive forces are its themes rather than the way capitalist relations of production thwart "the worker's own need for development."⁷

Since one-sided Marxism considers the worker primarily insofar as he or she exists for capital, insofar as he or she is exploited by capital, it naturally obscures the relevance of the other sides of that worker as a human being within society. Thus it ignores the relations other than wage labor in which people produce themselves (thereby stripping them of all determinateness other than as workers). Accordingly, it is blind to the way in which their struggles in those other relations (versus patriarchy, racism, national oppression, etc.) transform those people and how they enter into all their relations as these changed human beings.⁸

In this particular respect, one-sided Marxism is much like the political economy of capital that Marx condemned in 1844—political economy that looked at the proletariat only as a working animal to enrich capital, which did "not consider him, when he is not working, as a human being."⁹ For Marx, such one-sidedness continued to be a matter of concern: see, for example, his explicit comment in 1875 about a view of producers who 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."¹⁰



“Let us now rise above the level of political economy,” Marx proposed.¹¹ Unfortunately, Vanguard Marxism does not rise above the level of the political economy of capital. Although it rejects the perspective of capital, it reproduces the one-sidedness of that political economy through its complete neglect of the existence of a particular joint product—the nature of workers produced under vanguard relations of production. Vanguard Marxism does not consider how workers are deformed by their lack of power to make decisions and to develop their capacities through their activity. How could it be denied that Vanguard Marxism is one-sided?

Further, since Vanguard Marxism does not view the worker as a subject (either within the formal production process or outside), it does not explore the behavior of workers subsumed within vanguard relations of production. Nor does it consider the other sides of those workers—for example, the other relations within which workers exist, such as their communities, their networks of friends and family, and their common position as members of a society with common ownership of the means of production. In regarding them “*only as workers*... everything else being ignored,” Vanguard Marxism offers a caricature of workers in Real Socialism.

This one-sidedness permeates Vanguard Marxism. It is reflected in, among other aspects, the disappearance of relations of production, the focus upon the march of neutral productive forces and the passage from a stage of socialism to that of communism. But Vanguard Marxism is more than one-sided. It is also a rejection of a dialectical perspective.

VANGUARD MARXISM AS A REJECTION OF A DIALECTICAL WORLDVIEW

Characteristic of a dialectical worldview is the focus upon the whole and the interaction of parts within the whole. As we have seen in the discussion of the “system paradigm” in chapter 1 and the political economy of the working class in chapter 6, Marx stressed the concept of a totality whose elements “all form the members of a totality, distinctions within a unity” and where “mutual interaction takes place between the



different moments.”¹² In this focus upon the whole, we are describing what Lukács viewed as the basis of a scientific revolution: “The category of totality, the all-pervasive supremacy of the whole over the parts is the essence of the method which Marx took over from Hegel and brilliantly transformed into the foundations of a wholly new science.”¹³

Characteristic of such a view is the recognition of what Lenin described in his notes on Hegel’s *Science of Logic* as “the universal, all-sided, *vital* connection of everything with everything”:

A river and the *drops* in this river. The position of *every* drop, its relation to the others; its connection with the others; the direction of its movement; its speed; the line of the movement—straight, curved, circular, etc. upwards, downwards. The sum of the movement. . . . There you have a *peu près* [approximately] the picture of the world according to Hegel’s *Logic*—of course minus God and the Absolute.¹⁴

From this perspective, one cannot look at individual parts as isolated (with their own intrinsic properties), independent and indifferent to each other; rather, we understand the parts as “members of a totality,” where there is “reciprocal action of these various sides on one another.”¹⁵ And, in that interaction, those parts interpenetrate; they “re-create each other by interacting and are re-created by the wholes of which they are parts.”¹⁶ Accordingly, a view of change as the result of exogenous stimuli is difficult to sustain. As Lenin noted in his reading of Hegel, “The all-sidedness and all-embracing character of the interconnection of the world . . . is only one-sidedly, fragmentarily and incompletely expressed by causality.”¹⁷

To understand society as a totality is to understand that its change and development is not a simple relationship of cause and effect, of independent and dependent variables. A dialectical worldview necessarily rejects a perspective that ignores the interaction of parts within the whole or that offers a concept of change based upon a single cause. It follows that it necessarily rejects Vanguard Marxism.

Consider, for example, how the relations of production disappear because of the one-sidedness of Vanguard Marxism. Since the nature of the workers produced under vanguard relations is not a subject of



inquiry, there is no requirement to investigate those relations. Vanguard Marxism, though, identifies the relations of production with juridical ownership of the means of production; thus it does not *need* to introduce a separate variable for the former. The story Vanguard Marxism tells is that building the new society depends upon the development of productive forces, its only real variable.

Why, according to Vanguard Marxism, do the productive forces develop? Very simply, they develop because the vanguard ensures their development. Thus, from the single cause of developing productive forces, we are led to the ultimate mover—the conductor. Of course, the conductor is not all-powerful; he cannot develop the new society fully at the outset. He must lead this society from a lower stage, socialism, to a higher stage, communism, a movement from the realm of necessity to a society marked by abundance. The story Vanguard Marxism tells is simple. With the ending of capitalist ownership of the means of production, the conductor can deliver the passengers to the promised land of abundance (where we can be like “the lilies of the field who toil not, neither do they spin”).¹⁸

This simple linear account of progress has little in common with a dialectical view of society as a totality. As Marx scoffed about Proudhon’s theory, “How, indeed, 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?”¹⁹

Without considering the nature of the people produced within vanguard relations of production, Vanguard Marxism cannot explore how the productive forces are marked by the character of vanguard relations, including class struggle within those relations. Nor is it able to think about the worker as she interacts with other workers in the workplace, in her relations with others in society outside the workplace or as a member of a society in which common ownership of the means of production is presumed. The way in which these elements act upon (and are acted upon by) other elements in this structure of society is a closed book for Vanguard Marxism.

Nevertheless, the story that Vanguard Marxism tells implicitly involves a particular view of the worker. And that is revealed by what



it calls the “socialist principle.” Before the conductor brings us to the end of the line (the realm of freedom), the question arises as to how “the quantity of products to be received by each” will be regulated at the first station where we stop (that is, the stage of socialism). For Vanguard Marxism, the answer is clear: “until the ‘higher’ phase of Communism arrives,” there must be “the *strictest* control by society *and by the state* of the measure of labour and the measure of consumption.”²⁰

Thus a state is necessary, one which, “while safeguarding the public ownership of the means of production, would safeguard equality in labour and equality in the distribution of products.”²¹ To ensure this equality during this realm of necessity, the governing principle must be “the socialist principle,” which links the quantity of products to be received by each to the quantity of labor performed by each. “An equal amount of products for an equal amount of labour,” distribution in accordance with contribution.

Because Vanguard Marxism makes the implicit assumption that the worker in the stage of socialism is alienated from her labor and alienated from the products of her labor, it views this principle of distribution as necessary. This alienated worker must be regulated since she wants to minimize her labor and to maximize her consumption; in particular, the “socialist principle” of “to each according to his contribution” must be strictly enforced. By ensuring that those workers who contribute more will receive more, the vanguard concludes that workers will have an incentive to contribute more.

What in this view will happen if the “socialist principle” is ignored? Given that alienated workers look upon work as a burden, they will act as if they can satisfy their needs without having to work for items of consumption. So if productivity is low or fails to rise, Vanguard Marxism has a ready answer—“violations” of the socialist principle. The worker cannot be trusted to produce for the needs of society in the absence of a directing authority. To “safeguard equality in labour and equality in the distribution of products,” state regulation is necessary.²²

But, we are told, this situation is not permanent. It would be necessary only until there was an “enormous development of productive forces” that makes possible the ending of the antithesis between mental and



physical labor. "The economic basis for the complete withering away of the state is such a high stage of Communism that the antithesis between mental and manual labour disappears." In this realm of abundance, society can now adopt the rule, "from each according to his ability, to each according to his needs," and the state can wither away.²³

The promise is that there will come a time when the labor of people "becomes so productive that they will voluntarily work *according to their ability*." At this point, there would be "no need for society to regulate the quantity of products to be received by each; each will take freely 'according to his needs.'"²⁴ *But not yet*. The worker remains alienated from his labor and the products of his labor until such time as abundance permits his activity and enjoyment to be one—that is, for labor to be "life's prime want."²⁵

There is nothing especially Marxist (or socialist) about this promise. Indeed, the idea that individual material self-interest (embodied in the "socialist principle") can and will guide us to the realm of freedom was expressed best by Keynes, a non-socialist and critic of Marxism:

I see us free, therefore, to return to some of the most sure and certain principles of religion and traditional virtue—that avarice is a vice, that the exaction of usury is a misdemeanor, and the love of money is detestable, that those walk most truly in the paths of virtue and sane wisdom who take least thought for the morrow. We shall once more value ends above means and prefer the good to the useful. We shall honor those who can teach us how to pluck the hour and the day virtuously and well, the delightful people who are capable of taking direct enjoyment in things, the lilies of the field who toil not, neither do they spin.

But beware! The time for all this is not yet. For at least another hundred years we must pretend to ourselves and to everyone that fair is foul and foul is fair; for foul is useful and fair is not. Avarice and usury and precaution must be our gods for a little longer still. For only they can lead us out of the tunnel of economic necessity into daylight.²⁶

How different is Keynes's argument about the need to rely upon self-interest to lead us to abundance from the argument of Vanguard



Marxists? As part of their exhortation to put off everything until the appropriate productive forces have been developed, Vanguard Marxists invoke a statement by Marx in his *Critique of the Gotha Program*: “Right can never be higher than the economic structure of society and the cultural development conditioned thereby.”²⁷ Their interpretation of this, however, is a complete distortion of Marx, not surprising given their reduction of the “economic structure of society” to the development of productive forces.

Consider again Marx’s stress upon a “structure of society, in which all relations coexist simultaneously and support one another.” This was a conception of a system in which the elements all interact. But those elements are not necessarily perfectly compatible, except in a “completed” organic system: “In the completed bourgeois 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.”²⁸

Before the system produces its own premises and presuppositions, it must rely upon “historic” premises, those it inherits from the old society. The course of development of the new society necessarily involves the subordination of those elements it has inherited and the production of its own presuppositions—that is, when the latter emerge “*not as conditions of its arising but as results of its presence*.”²⁹ As noted in chapter 1, Marx was clear about how a new organic system emerges: “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.”³⁰

This, we see in *Capital*, is the way capitalism emerged as “fully developed.” Inevitably, the system is initially inadequate, but the point is to subordinate its inherited defects so that it can stand upon its own foundations. This distinction between the “becoming” and “being” of an organic system reappears in Marx’s *Critique of the Gotha Program*, where he identified an “inevitable” defect in the new society “when it has just emerged after prolonged birth pangs from capitalist society.” We begin with a society not “as it has *developed* on its own foundations, but, on the contrary, 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 womb it emerges.”³¹

What exactly is that inevitable defect? It is that, despite replacing capitalist ownership with the common ownership of the means of production, within the new society there was the continuation of “bourgeois right”; in particular, labor power remains 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.³²

Continuation of this ownership has definite implications. As owners of labor-power, the producers act in their own self interest; like any owner, they demand the most for their property. The worker insists that he not be cheated, that “the same amount of labour which he has given to society in one form he receives back in another.” Underlying this exchange of equivalents (“where a given amount of labour in one form is exchanged for an equal amount of labour in another form”) is the private ownership of “the personal condition of production, of labour power.” This is nothing more than the continuation of bourgeois right.³³

This exchange relation, inherited by the new society “just as it emerges from capitalist society,” is precisely what must be subordinated. The new society can only develop by “subordinating all elements of society to itself, or in creating out of it the organs which it still lacks.” For the development of “rich human beings,” of that “rich individuality which is as all-sided in its production as in its consumption,” the *Critique of the Gotha Program* sees the necessity to end “the antithesis between mental and physical labour” and to ensure the “all-round development of the individual.” It was inevitable at the outset that owners of labor-power would deem themselves entitled to an equivalent for their labor. However, Marx rejected this view of producers “only as workers” as one-sided, and he counterposed to the producer “as a private individual” the producer “in his capacity as a member of society.”³⁴



Unfortunately, Vanguard Marxism drew a different lesson from the *Critique of the Gotha Program* and applied it to a society that Marx never anticipated—one in which workers are dominated, deformed, and exploited under the direction of a vanguard. For Marx, the new society was to be a cooperative society based upon common ownership of the means of production, a society for which the cooperative factories of the nineteenth century were “the first examples of the emergence of a new form.” The great merit of those cooperatives, he argued, had been to demonstrate practically that the domination of workers “can be superseded by the republican and beneficent system of the *association of free and equal producers*.”³⁵ And, by abolishing the old division of labor that separated thinking and doing, those associated producers would create the conditions for “all-round development of the individual.”³⁶

But, as we have seen, the lesson that Vanguard Marxism extracted was the necessity to enforce the “socialist principle” in the lower stage of socialism. Rather than subordinate the inherited “defect,” it insists upon *strengthening* it, that is, building upon the defect to build the new society.³⁷ For Vanguard Marxism, that defect would only be removed through the development of productive forces. So the *real* defect was the inadequate development of productive forces.

You won’t find in Vanguard Marxism a focus upon the reciprocal action of the various sides of a whole or a concept of “the all-sidedness and all-embracing character of the interconnection of the world.” Its linear conception, in which all history is the history of the development of productive forces, however, is not merely a rejection of a dialectical conception of a structure of society in which all elements interact; it is also a class perspective.

VANGUARD MARXISM AS A CLASS PERSPECTIVE

What makes a set of ideas a class perspective? Here, we can recall Marx’s comments (quoted in chapter 5) about the ideological representatives of the *petit bourgeoisie*: “In their minds they do not get beyond the limits which the latter do not get beyond in life, that they are consequently



driven, theoretically, to the same problems and solutions to which material interest and social position drive the latter practically.²⁹³⁸

Consider the following thought experiment. Picture a society in which there is no exploitation, one where collective workers receive directly or indirectly all the fruits of their labor either immediately or ultimately within their lifetimes. If, in such a society, workers are directed from above, are prevented from developing their capacities (in particular, separated from the development of their intellectual capacities), remain alienated, and are focused upon the possession of things, could we consider this the society of the associated producers?

This is not to suggest that there was no exploitation of workers in Real Socialism. Rather, the thought experiment is useful because it demonstrates clearly that a society divided into conductors and the conducted (*even if there were no exploitation as such*) has little to do with anything to which Marx looked forward. Only a theoretical perspective that ignores the nature of people produced in every human activity, the human product that results from the simultaneous changing of circumstance and self-change, could fail to stress the deformation of people under vanguard relations of production.

That theoretical position is the same as the practical position of the vanguard. Just as the vanguard is oriented to maximize investment to achieve the highest possible growth of productive forces, just as the vanguard stresses the necessity of the state to direct from above, to expand production without regard for productive relations, and to determine the relation between output and consumption, so also does Vanguard Marxism provide the theoretical justification for the vanguard. Vanguard Marxism is the theoretical perspective of a conductor who believes that the working class must be led to the Promised Land and "that his business is to serve music and to interpret it faithfully." It is the theoretical perspective of those who stand above the working class. But also against the working class.

In addition to supporting vanguard relations that exploit and deform workers, Vanguard Marxism provides the theoretical justification for attacks on the moral economy of the working class in Real Socialism. Worker management, egalitarianism, and a focus on producing for the



needs of others—all these seeds of a socialist society are declared to be premature.

In its view that these elements in the moral economy of the working class within Real Socialism should be postponed until the higher stage of communism, we can see how the one-sidedness that looks at producers “from one *definite* side only . . . *only as workers* and nothing more . . .” supports an attack on the existing working class. Anything contrary to the “socialist principle” is judged by Vanguard Marxism to be a violation that will be a fetter upon the development of productive forces and thus socialism. It is declared to be “alien to the proletariat.”³⁹

Vanguard Marxism and the political economy of the working class point in opposite directions. Whereas Vanguard Marxism stresses its “socialist principle” of distribution and attributes problems to the violations of that principle, the political economy of the working class says with Marx that it is “a mistake to make a fuss about so-called *distribution* and put the principal stress on it.”⁴⁰ Marx insisted that relations of distribution correspond to specific relations of production, and that it is the latter upon which we must focus. This, then, is the context in which to understand his comment that “right can never be higher than the economic structure of society and its cultural development conditioned thereby.”⁴¹ For the political economy of the working class, the point is clear. “The economic structure of society” is its relations of production; change those and you change the culture of society. Change the relations of production and end alienation, exploitation, and deformation—that is, produce workers differently.

The problem is that the idea of changing the relations of production makes little sense to those who equate the relations of production with juridical ownership of the means of production and for whom the real relations of production are invisible. Since Vanguard Marxists view the alienation of producers as an inherited, historical presupposition rather than as a situation produced and reproduced every day within vanguard relations of production, they “do not get beyond the limits” theoretically that the vanguard does not get beyond in real life.

If we are serious about building a viable alternative to capitalism, we need to recognize the impact of the class perspective of Vanguard



Marxism. Insofar as it has identified socialism with juridical ownership and ignored the exploitation and deformation of workers under vanguard relations, it has tended to discredit both socialism and the Marxism in whose name all this occurs. Not only does this disarm workers within Real Socialism but it also sends a message to workers elsewhere that Marxism is consistent with the exploitation and deformation of workers.

BEYOND VANGUARD MARXISM

Nothing in the above discussion (or anywhere in this book) should be interpreted as a critique of the necessity for leadership in the struggle against capital or to build a new socialist society. Nor should there be any doubt that building a society that allows for full human development must begin by ending capitalist ownership of the means of production by all means possible. Similarly, I do not question the necessity for a period to draw upon the inherited state (with all the dangers this poses) as part of a socialist mode of regulation.

This book, however, does not explore such questions. It has a limited object; it concentrates upon a particular phenomenon, Real Socialism, which consolidated in the period roughly following 1950. We need to learn from that experience if we are to build a society that allows for the full human development that Marx grasped as the right goal, a society of rich human beings. To do that, it is essential that we recognize the link between Vanguard Marxism and vanguard relations of production. Within Real Socialism, like the state coercion that prevents the independent organization of workers, Vanguard Marxism serves as a weapon in the hands of the vanguard against the working class. Outside Real Socialism, Vanguard Marxism offers a road map to Real Socialism and, beyond that, to the reemergence of capitalism.

How can we go beyond Vanguard Marxism? We do that by restoring Marxism as a philosophy of praxis and freedom. We do that by returning to a Marxism where human beings are the hub and where the focus is upon "the worker's own need for development." This means an emphasis upon the conditions in which people produce themselves through



their own activity, upon the character of the relations of production and all of the social relations in which they act.

But that also means taking seriously the moral economy of the working class. As I indicated in chapter 6, “If workers struggle over the ideas and norms associated with moral economy, then clearly those ideas are a material force. By considering those social norms and beliefs as to what is right and what is wrong, we can root our analysis in the concrete.” Through that analysis, “we also may be able to point to elements in the moral economy that can point beyond toward a new society.” The ideas and concepts of right and fairness on the part of the working class need to be analyzed in order to understand what underlies those ideas—for the purpose of providing the working class with the weapons necessary to go beyond appearances.

We need a Marxism that articulates the logic of the working class, the logic of associated producers—one that points to the centrality of cooperation, the development of solidarity, protagonism, and the building of a society of “free individuality based on the universal development of individuals and on the subordination of their communal, social productivity as their social wealth.”⁴²

If that Marxism appropriately focuses upon the nature of people produced within particular relations of production, then the premise that abundance is a necessary precondition for such a society marked by community, solidarity, and equality appears questionable. The realm of freedom does not have to wait until the realm of necessity has been ended. On the contrary, “the true realm of freedom, the development of human powers as an end in itself,” can be built *within* the realm of necessity itself and can redefine necessity.⁴³ Through the development of institutions that foster the development of human capacities, we can be brought to the point where our activity and enjoyment are one, where the exercise of our capacity, our labor, is our real need.

If we want to end the alienation among people that fosters their self-interest and a consumerism that both reproduces the separation of people and always leaves them wanting more, it is necessary to develop new institutions that permit people to transform themselves while transforming circumstances. In *The Socialist Alternative*, I identified such



institutions and measures as the development of worker management, the strengthening of communal councils, the expansion of the commons, and the development of direct links between these cells of a new socialist state. Those specific ideas are not our concern here. What is essential, however, is that Marxists must break with the Vanguard Marxism that insists upon a conductor who stands over and above the conducted. For Marxists and all of those who want to build a socialist society, there is no place for a theory that does not put human development and practice at its center.

Vanguard Marxism comes in different varieties. There are those in power for whom it serves as theoretical justification of their position. There are also those far from power who accept the theory but whose main criticism of Real Socialism has been that it was the *wrong* vanguard in power. The latter group may be critical of the lack of workplace democracy and the evils of an ill-defined “bureaucracy,” but as long as they embrace the theory of a conductor without whom the music of the future will never be realized they do not offer a real alternative. As long as their politics do not make the “key link” central to both theory and practice, that is, as long as they do not understand the importance of the simultaneous changing of circumstances and human activity or self-change, it is all more of the same.⁴⁴

In practice, it is essential to build those institutions through which people are able to develop their capacities and make themselves fit to create a new world. But there is a theoretical condition as well. A philosophy of praxis, a philosophy of freedom, a political economy that expresses the logic of the working class—these are the characteristics of a Marxism that can be a weapon for the associated conductors. It is time to say good-bye to Vanguard Marxism.



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Notes

Introduction: New Wings for Socialism

1. Bertolt Brecht, "Songs for Children, Ulm 1592," in *Selected Poems*, trans. H. R. Hays (New York: Grove Press, 1959).
2. The discussion in this first section draws directly upon "New Wings for Socialism," *Monthly Review* (April 2007) and a talk in January 2007 in Caracas on the occasion of the presentation of the Venezuelan edition of *Build It Now: Socialism for the 21st Century* (Monthly Review Press, 2006).
3. Michael A. Lebowitz, "The Socialist Fetter: A Cautionary Tale," *The Socialist Register 1991*, ed. Ralph Miliband and Leo Panitch (London: Merlin, 1991).
4. See my discussion of John Holloway's arguments in Michael A. Lebowitz, "Holloway's Scream: Full of Sound and Fury," *Historical Materialism* 13/4 (2005).
5. Marxist economists, in particular, tend to engage in spirited competition over who has correctly predicted the crisis—and do so with all the accuracy of a stopped watch.
6. On this question, see in particular Michael A. Lebowitz, *Beyond CAPITAL: Marx's Political Economy of the Working Class* (New York: Palgrave Macmillan, 2003).
7. Karl Marx, *Capital*, vol. 1 (New York: Vintage Books, 1977), 935.
8. *Ibid.*, 1:548, 643, 799.
9. *Ibid.*, 1:482–84, 548, 607–8, 614.
10. Karl Marx, *Grundrisse* (New York: Vintage Books, 1973), 488.
11. *Ibid.*, 287; Lebowitz, *Beyond CAPITAL*, 32–44.
12. Marx, *Capital*, 1:899.



13. Ibid.
14. Lebowitz, *Beyond CAPITAL*, 177.
15. Marx, *Capital*, 1:772. This theme of human development is the focus in Michael A. Lebowitz, *The Socialist Alternative: Real Human Development* (New York: Monthly Review Press, 2010).
16. Lebowitz, *The Socialist Alternative*, chap. 1.
17. Karl Marx, "Theses on Feuerbach," in Marx and Engels, *Collected Works* (New York: International Publishers, 1976), 6:4.
18. Lebowitz, *The Socialist Alternative*, 50–55, 154–59.
19. See *Alo Presidente* # 263 and #264, <http://www.alopresidente.gob.ve/>.
20. The initial discussion of these three elements occurred in a paper written for Chávez in December 2006 at a time when I directed a program on Transformative Practice and Human Development at Centro Internacional Miranda in Venezuela. I drew upon this paper in January 2007 at the launch of the Venezuelan edition of *Build It Now*, referred to in n. 2.
21. Marx, *Grundrisse*, 278.

Overture: The Conductor and the Conducted

1. Lebowitz, *Beyond CAPITAL*, 84–87.
2. Marx, *Capital*, 1:448.
3. Ibid., 1 449–50.
4. Karl Marx, *Capital*, vol. 3 (New York: Vintage Books, 1981), 507–8.
5. Ibid., 1:450.
6. Ibid., 3:507.
7. Ibid., 3:510–11.
8. Ibid., 1:449.
9. Elias Canetti, *Crowds and Power* (Middlesex: Penguin, 1973), 460.
10. Ibid., 459.
11. Lebowitz, *The Socialist Alternative*, 154–59.
12. Marx, *Capital*, 1:450; Lebowitz, *The Socialist Alternative*, 156.
13. Lebowitz, *The Socialist Alternative*, 86.
14. Marx, *Capital*, 1:447.
15. Ibid., 1:482.
16. Marx, *Grundrisse*, 87.
17. The manager in a cooperative factory paid by the workers (rather than representing capital to the workers) is another example he offered—one in which "the antithetical character of the supervisory work disappears." Cooperative factories, indeed, provided the proof that the capitalist was "superfluous as a functionary in production." Marx, *Capital*, 3:512, 510.
18. Canetti, *Crowds and Power*, 458.
19. This particular metaphor, too, can be the source of much disagreement among those who love classical music.



1. *The Shortage Economy*

1. Richard Kosolapov, *Socialism: Questions of Theory* (Moscow: Progress Publishers, 1979), 8, 11–2, 482.
2. See, for example, the discussions of Czechoslovakia and China in Richard Kosolapov, *Problems of Socialist Theory* (Moscow: Progress Publishers, 1974).
3. This division and ordering, which corresponds to Marx's distinction between the accumulation of capital within capitalism and the original accumulation of capital (that is, the "being" and "becoming" of capital, respectively) is not arbitrary. Marx was contemptuous of bourgeois economists who distorted the distinct nature of capital by "formulating the conditions of its becoming as the conditions of its contemporary realization" (Marx, *Grundrisse*, 460). Consideration of the consolidated system first is essential not only for understanding that system but also to guide historical inquiry. See the extended discussion in chapter 4, "The Being and Becoming of an Economic System," in Lebowitz, *The Socialist Alternative*.
4. Janos Kornai, *The System Paradigm*, Discussion Paper Series No. 58 (Budapest: Collegium Budapest, Institute for Advanced Study, July 1999), 4, 8.
5. Karl Marx, *The Poverty of Philosophy*, in Marx and Engels, *Collected Works*, vol. 6 (New York: International Publishers, 1976), 167; Marx, *Grundrisse*, 99.
6. Lukács argued: "The category of totality, the all-pervasive supremacy of the whole over the parts is the essence of the method which Marx took over from Hegel and brilliantly transformed into the foundations of a wholly new science." Georg Lukács, *History and Class Consciousness: Studies in Marxist Dialectics* (Cambridge, MA: MIT Press, 1972), 27.
7. Richard Levins and Richard Lewontin, *The Dialectical Biologist* (Cambridge, MA: Harvard University Press, 1985), 269, 273, 3; Lebowitz, *Beyond CAPITAL*, 52–54. As an illustration of his focus upon the whole, Kornai rejected the neoclassical premise of given individual preferences as a starting point and commented, "According to the system paradigm, individual preferences are largely the products of the system itself. If the system changes, so do the preferences." Kornai, *The System Paradigm*, 10.
8. Kornai, *The System Paradigm*, 9–10.
9. Marx, *Capital*, 1:711.
10. Ibid., 1:724. Marx demonstrated the continuity of his thought on the reproduction of capitalist relations of production by footnoting here his 1849 work, *Wage Labour and Capital*: "Capital presupposes wage-labour; wage-labour presupposes capital. They reciprocally condition each other's existence; they reciprocally bring forth each other. Does the worker in the cotton factory merely produce cotton goods? No, he produces capital." This idea of a "connected whole" characterized by two sides that bring forth each other can be found, too, in Marx's 1844 Manuscripts and subsequently



when he talked in *The Holy Family* (1845) about how “proletariat and wealth are opposites; as such they form a single whole.” Lebowitz, *Beyond CAPITAL*, 205–6.

11. Marx, *Capital*, 3:957.
12. Marx, *Grundrisse*, 278.
13. Ibid.; Lebowitz, *The Socialist Alternative*, chap. 4.
14. Marx, *Capital*, 1:899.
15. Marx, *Grundrisse*, 694, 699.
16. Marx, *Capital*, 1:382, 899, 937. Similarly, to ensure reproduction of capitalist productive relations when workers are able to save in order to escape wage labor (as occurred, for example, in the North American settlements, where “today’s wage-labourer is tomorrow’s independent peasant or artisan, working for himself”), Marx argued that capital needed to use the state to introduce extraordinary, “artificial means.” Ibid., 1:936–37, 911, 900; Lebowitz, *The Socialist Alternative*, 96–97.
17. Lebowitz, *The Socialist Alternative*, 94–99.
18. Marx, *Capital*, 1:931; Lebowitz, *The Socialist Alternative*, 97.
19. For a concrete discussion of a socialist mode of regulation, see chaps. 6 and 7 in Lebowitz, *The Socialist Alternative*.
20. Marx, *Capital*, 1:90; Marx, *Grundrisse*, 100–101; Lebowitz, *Beyond CAPITAL*, 54–55.
21. Marx, *Capital*, 1:102.
22. Marx, *Grundrisse*, 107. See the discussion of Marx’s method in Michael A. Lebowitz, *Following Marx: Method, Critique, and Crisis* (Chicago: Haymarket Books, 2009), esp. part 2, “The Logic of Capital,” and chap. 10, “Marx’s Methodological Project as a Whole.”
23. Marx, *Grundrisse*, 278; Janos Kornai, *The Socialist System: The Political Economy of Communism* (Princeton: Princeton University Press, 1992), 16.
24. Kornai, *The Socialist System*, 366.
25. Marx, *The Poverty of Philosophy*, 167.
26. Kornai, *The Socialist System*, 198, 500, 570, 366; Marx, *Grundrisse*, 278.
27. Kornai, *The Socialist System*, 368–69.
28. Ibid., 16.
29. The discussion here draws upon Michael A. Lebowitz, “Kornai and Socialist Laws of Motion,” *Studies in Political Economy* 18 (Autumn 1985).
30. Janos Kornai, *Economics of Shortage*, 2 vols. (Amsterdam, 1980), 457.
31. Alena V. Ledeneva, *Russia’s Economy of Favours: Blat, Networking and Informal Exchange* (Cambridge: Cambridge University Press, 1998), 87.
32. Janos Kornai, *Economics of Shortage*, 29.
33. Michael Ellman, *Socialist Planning* (Cambridge: Cambridge University Press, 1979), 207.
34. Janos Kornai, *Anti-Equilibrium: On Economic Systems Theory and the Tasks of Research* (Amsterdam: North-Holland, 1971), 321.



35. Janos Kornai, *Overcentralization in Economic Administration: A Critical Analysis Based on Experience in Hungarian Light Industry* (Oxford: Oxford University Press, 1959), 168, 186.
36. Ibid., 215.
37. Kornai, *Economics of Shortage*, 547.
38. Ibid., 62–63.
39. Ibid., 63.
40. Ibid., 556.
41. Ibid., 191.
42. Ibid., 192–94.
43. Ibid., 402.
44. Ibid., 403.
45. Joseph Berliner, quoted in *Proceedings, American Economic Review* (May 1966): 157–58.
46. Joseph Berliner, *The Innovation Decision in Soviet Industry* (Cambridge, MA: MIT Press, 1976), 478, 481.
47. See the examples cited in Maurice Dobb, *Socialist Planning: Some Problems* (London: Lawrence & Wishart, 1970); Marie Lavigne, *The Socialist Economies of the Soviet Union and Europe* (White Plains, NY: International Arts and Science Press, 1974); and Alec Nove, *The Soviet Economic System* (London: George Allen & Unwin, 1977).
48. Kornai, *Overcentralization in Economic Administration*, 37.
49. Ibid., 132–33.
50. Boris Kagarlitsky, *The Dialectic of Change* (London: Verso, 1990), 248–49.
51. Dobb, *Socialist Planning: Some Problems*, 37n.
52. Kornai, *Overcentralization in Economic Administration*, 130.
53. Ibid., 141.
54. Ibid., 133.
55. Ota Šik, *Czechoslovakia: The Bureaucratic Economy* (White Plains, NY: International Arts and Sciences Press, 1972), 101–2.
56. Alec Nove, *The Economics of Feasible Socialism Revisited* (London: HarperCollins Academic, 1991), 22.
57. Šik, *Czechoslovakia: The Bureaucratic Economy*, 102.
58. Dobb, *Socialist Planning: Some Problems*, 38.
59. Kornai, *Overcentralization in Economic Administration*, 136.
60. Ibid., 137.
61. Ibid., 107.
62. Ibid., 178, 186.
63. Ibid., 186.
64. Ibid., 192.
65. Kornai, *Economics of Shortage*, 28.
66. Ibid., 110.
67. Ibid., 209–10, 306–11.



68. Ibid., 566, 568.

2. *The Social Contract*

1. See, for example, the discussion of principal-agent relations (or the "agency problem") in Joseph Berliner, *The Economics of the Good Society: the Variety of Economic Arrangements* (Oxford: Blackwell, 1999), 329–31, 339–43.
2. Kornai, *The Socialist System*, 371. Kornai's rejection of a principal-agent model may be dismissed since he precluded it in any form *by definition* when he announced that "the motivations of the firm's management and of other groups in the bureaucracy will not be treated separately. The object is to identify the general inducements applying to all leaders in the economic bureaucracy" (118–19).
3. Tamas Bauer, "Investment Cycles in Planned Economies," *Acta Oeconomica*, 21 (3) (1978).
4. Patrick Flaherty, "Cycles and Crises in Statist Economies," *Review of Radical Political Economics* 24/3–4 (1992): 113.
5. Ibid., 114.
6. Ibid., 116.
7. Ibid., 117.
8. Ibid., 118.
9. Ibid., 119.
10. Šik, *Czechoslovakia: The Bureaucratic Economy*, 46–50, 52.
11. Moshe Lewin, *The Soviet Century* (London: Verso, 2005), 329–33, 370–71.
12. Flaherty, "Cycles and Crises in Statist Economies," 117, 124.
13. Kornai, *Economics of Shortage*, 380.
14. Janos Kornai, *Growth, Shortage and Efficiency: A Macrodynamical Model of the Socialist Economy* (Berkeley: University of California Press, 1982).
15. Ibid., 4–5, 24–33, 76; Kornai, *Economics of Shortage*, chap. 21; Lebowitz, "Kornai and Socialist Laws of Motion."
16. Kornai, *Economics of Shortage*, 382.
17. Kornai, *Growth, Shortage and Efficiency*, 47–48.
18. Kornai, *Economics of Shortage*, 383.
19. Ibid., 212.
20. Ibid., 415.
21. Ibid., 502–3.
22. Ibid., 485.
23. Ibid., 509–10.
24. Ibid., 235.
25. Ibid., 251–52.
26. David Granick, *Enterprise Guidance in Eastern Europe: A Comparison of Four Socialist Economies* (Princeton: Princeton University Press, 1975), 245–46.
27. Ibid., 473.



28. Kornai, *Economics of Shortage*, 254.
29. Ibid., 255.
30. Ibid., 256.
31. Granick, *Enterprise Guidance in Eastern Europe*, 249n.
32. David Granick, *Job Rights in the Soviet Union: Their Consequences* (Cambridge: Cambridge University Press, 1987), 69.
33. David Laibman, "The 'State Capitalist' and 'Bureaucratic-Exploitative' Interpretations of the Soviet Social Formation: A Critique," *Review of Radical Political Economics* 10/4 (Winter 1978): 29.
34. Granick, *Job Rights in the Soviet Union*, 103.
35. Lewin, *The Soviet Century*, 331.
36. Laibman, "The 'State Capitalist' and 'Bureaucratic-Exploitative' Interpretations of the Soviet Social Formation," 29.
37. Lewin, *The Soviet Century*, 176.
38. Granick, *Job Rights in the Soviet Union*, 13–14.
39. Ibid., 1–3.
40. David Granick, "Central Physical Planning: Incentives and Job Rights," in *Comparative Economic Systems: An Assessment of Knowledge, Theory and Method*, ed. Andrew Zimbalist (Boston: Kluwer/Nijhoff, 1983), 139.
41. Granick, *Enterprise Guidance in Eastern Europe*, 246.
42. Ed Hewitt, "The Hungarian Economy: Lessons of the 1970s and Prospects for the 1980s," paper presented to the Joint Economic Committee of the U.S. Congress, February 1981.
43. Linda J. Cook, *The Soviet Social Contract and Why It Failed: Welfare Policy and Workers' Politics from Brezhnev to Yeltsin* (Cambridge, MA: Harvard University Press, 1993), 1.
44. Laibman, "The 'State Capitalist' and 'Bureaucratic-Exploitative' Interpretations of the Soviet Social Formation," 28–9.
45. Laibman, "The 'State Capitalist' and 'Bureaucratic-Exploitative' Interpretations of the Soviet Social Formation," 28.
46. Donald A. Filzer, *Soviet Workers and the Collapse of Perestroika: The Soviet Labour Process and Gorbachev's Reforms, 1985–1991* (Cambridge: Cambridge University Press, 1994), 5.
47. Lewin, *The Soviet Century*, 320.
48. Cook, *The Soviet Social Contract and Why It Failed*.
49. Ibid., 3.
50. Patrick Flaherty, "Perestroika and the Soviet Working Class," *Studies in Political Economy* 29 (Summer 1989): 47. Flaherty cites a case of a young worker committed to a psychiatric hospital over her complaints concerning "enforcement of health and safety regulations in the shop and [her] vocal criticism of the maintenance of plush private dining quarters for management while workers went without" (46).
51. Boris Kagarlitsky, "Interview," *Against the Current*, March 3, 1995.



3. *The Nature and Reproduction of Vanguard Relations of Production*

1. Kornai, *The Socialist System*, 4, 11.
2. Ibid., 87.
3. Ibid., 375.
4. Ibid., 368.
5. Ibid., 375.
6. Ibid., 361.
7. Marx, *Capital*, 3:507.
8. Kornai, *The Socialist System*, 56.
9. Canetti, *Crowds and Power*, 458.
10. Kornai, *The Socialist System*, 55.
11. Note the discussion in Lebowitz, *The Socialist Alternative* (48–50), of the theories of Paulo Freire and their relation to Marx's rejection of the utopian concept of changing circumstances for people rather than revolutionary practice, in which people transform themselves in the process of transforming circumstances.
12. Kornai, *The Socialist System*, 41.
13. Ibid., 118–19.
14. See, for example, the first four duties of members of the Communist Party of Cuba in *Statutes of the Communist Party of Cuba* (Havana: Political Publishing House, 1981), 8.
15. See <http://english.people.com.cn/data/organs/cpc.html>.
16. Kornai, *The Socialist System*, 36.
17. Ibid., 57.
18. Ibid., 121.
19. Włodzimierz Brus and Kazimierz Laski, *From Marx to the Market: Socialism in Search of an Economic System* (Oxford: Clarendon Press, 1992), 47.
20. Marx, *Capital*, 3:735–36.
21. Ibid., 1:739–41.
22. The conditions under which a second soul expands at the expense of the logic of the vanguard are explored later.
23. Kornai, *The Economics of Shortage*, 383, 212.
24. Kornai, *The Socialist System*, 45.
25. Ibid., 87, 50–51.
26. Ibid., 89.
27. Ibid., 93.
28. Ibid., 37, 39.
29. Ibid., 362.
30. Ibid., 33, 409.
31. Ibid., 161–62. Kornai notes that the orientation of the vanguard for “forced growth, rush and importunate haste” (and the tendency not to undertake investments “expressly to protect the environment”), plus the characteristic in Real Socialism “that there is no way of organizing in society independent,



strong environmental movements capable of confronting the economic decision makers if necessary” have obvious implications for the destruction of the environment (178). For descriptions of the extent of environmental damage in Real Socialism, see Marshall I. Goldman, “The Convergence of Environmental Disruption,” in *Comparative Economic Systems: Models and Cases*, ed. Morris Bornstein (Homewood, IL: Richard D. Irwin, 1974); and Ann-Mari Sätre Åhländer, “The Environmental Situation in the Former Soviet Union,” in *Environmental Problems in the Shortage Economy: The Legacy of Soviet Environmental Policy* (Cheltenham: Edward Elgar, 1994), 5–23.

32. Kornai, *The Socialist System*, 167, 169.
33. *Ibid.*, 169.
34. *Ibid.*, 364.
35. *Ibid.*, 91, 95, 362–63.
36. *Ibid.*, 91–92.
37. *Ibid.*, 129.
38. *Ibid.*, 498–99.
39. *Ibid.*, 129.
40. *Ibid.*, 109, 109n.
41. *Ibid.*, 367, 114, 542, 116.
42. *Ibid.*, 363.
43. *Ibid.*, 117.
44. Marx, *Grundrisse*, 99–100.
45. Indeed, at every step of this logical construction, the concept of the vanguard party changes—just as the concepts of the commodity, money, and capital are enriched in the course of Marx’s development of the concept of capital. Within a different whole, of course, the characteristics of the vanguard party may differ because of interaction with other elements in that different whole.
46. István Mészáros, *Beyond Capital: Toward a Theory of Transition* (New York: Monthly Review Press, 1995), 661.
47. Marx, *Capital*, 1:899.
48. Kornai, *Growth, Shortage and Efficiency*, 108.
49. Kornai, *Anti-Equilibrium*, 321.
50. Granick, *Enterprise Guidance in Eastern Europe*, 245–46.
51. Granick, “Central Physical Planning: Incentives and Job Rights,” 149–50.
52. Hillel Ticktin stresses this point in his *Origins of the Crisis in the USSR: Essays on the Political Economy of a Disintegrating System* (Armonk, NY: M. E. Sharpe, 1992).
53. Moshe Lewin, *The Soviet Century*, 176.
54. Kornai, *Growth, Shortage and Efficiency*, 114–17.
55. *Ibid.*, 120.
56. Kornai, *The Economics of Shortage*, 383.
57. *Ibid.*, 212.



4. Contested Reproduction in Real Socialism

1. Kornai, *The Socialist System*, 198, 500.
2. Ibid., 366.
3. Kosolapov, *Socialism: Questions of Theory*, 463, 471–72.
4. Granick, *Enterprise Guidance in Eastern Europe*, 12–13.
5. Ibid., 11–13, 90ff. Granick dates aspects of the orthodox model back to publications in 1957, crediting among others Joseph Berliner, Holland Hunter, Alec Nove, Kornai, and himself; and he notes that the most explicit use of bonuses as the core of the model was by Sam Gindin (90n).
6. Ibid., 12, 88.
7. Donald A. Filzer, ed., *The Crisis of Soviet Industrialization: Selected Essays of E. A. Preobrazhensky* (White Plains, NY: M. E. Sharpe, 1979), 173.
8. Charles Bettelheim described for a subsequent period a struggle that he saw as characteristic of “transitional social formations” between the “law of value” and the “law of the social direction of the economy.” Bettelheim, *Economic Calculation and Forms of Property: An Essay on the Transition between Capitalism and Socialism* (New York: Monthly Review Press, 1975), 142.
9. Evgeny Preobrazhensky, *The New Economics* (Oxford: Clarendon Press, 1965), 62–65.
10. “The immanent laws of capitalist production manifest themselves in the external movements of the individual capitals, assert themselves as the coercive laws of competition.” (Marx, *Capital*, 1:433.) For development of Marx’s discussion of appearance and essence in *Capital*, see Lebowitz, “What Is Competition?,” in *Following Marx*, chap. 11.
11. Kornai, *The Socialist System*, 67, 169.
12. Ibid., 41.
13. Ibid., 36.
14. Kornai, *Overcentralization in Economic Administration*, 137.
15. Ibid., 215.
16. Ibid., 107.
17. Since the priority is to ensure that all units of production get their necessary inputs, it is logical that achievement of output targets be most highly rewarded—with the result that, despite bonus incentives, these additional targets tend to be viewed by managers as less important.
18. Boris Kagarlitsky, *The Dialectic of Change* (London: Verso, 1990), 250–51.
19. Flaherty, “Cycles and Crises in Statist Economies,” 120.
20. Ibid., 117.
21. Åhlander, *Environmental Problems in the Shortage Economy: The Legacy of Soviet Environmental Policy*, 48–55. Åhlander draws upon the priority question to explain “the ineffectiveness of environmental programs as well as for the mismanagement of natural resources.” She notes that, according to this approach, environmental disruption is the result of the priority of economic growth and that “the ineffectiveness of environmental programmes would



- have been explained by their low priority in the planning and implementation of measures" (53). Obviously, under these conditions, bonuses would not be available to managers for avoiding waste and destruction of the environment.
22. Preobrazhensky, *The New Economics*, 62–65.
 23. Peter Bihari, "Hungary: Toward a Socialist Market Economy?," *Studies in Political Economy* 18 (Autumn 1985), 20.
 24. Kagarlitsky, *The Dialectic of Change*, 251.
 25. Flaherty, "Cycles and Crises in Statist Economies," 112–13.
 26. This inversion echoes Hegel's exploration of the master-slave relation—even to the point where the enterprise managers appear to embody progress. See G. W. F. Hegel, *The Phenomenology of Mind* (New York: Harper Torchbooks, 1967).
 27. Under English Common Law, for example, the bundle of rights includes the right to possess, the right to the use and enjoyment of a thing, the right to decide how, when, and by whom a thing shall be used, the right to the income from the thing, the right to consume or waste the thing and the right to transmit it by sale, gift, or inheritance. Note that an individual stockholder in a capitalist corporation, for example, has the right to income from his share and the right to sell that share but does not have the right to possess, to use, to manage, or to destroy the means of production. Managers, on the other hand, possess most of those other rights but legally cannot use the means of production for their personal enjoyment. Andrew Kernohan, "Democratic Socialism and Private Property," *Studies in Political Economy*, Vol. 22, 1987:152–57.
 28. Kornai, *The Socialist System*, 64–66, 98. Further, Kornai stressed that the vanguard not only has the right to the residual income but is also able to determine its extent through its power over prices, material costs, wages, and the allocation of funds; the residual income, which "is of an economic magnitude set arbitrarily by the bureaucracy," flows to the central budget, which it controls. However, despite his clear argument about the vanguard as owner, Kornai proceeded to insist that there is no real ownership in Real Socialism because real individuals do not personally benefit. "Since no one can pocket the profits and no one need pay out of his pocket for the losses, property in this sense is not only depersonalized but eliminated. State property belongs to all and to none" (73, 75). This, of course, is the standard conservative argument against all common property—including any concept of the commons organized by communities. See my comments on the commons in Lebowitz, *The Socialist Alternative*, 146–48.
 29. Andras Hegedus, *Socialism and Bureaucracy* (London: Allison & Busby, 1976), 109–11.
 30. *Ibid.*, 95–96, 101.
 31. *Ibid.*, 111.
 32. *Ibid.*, 115.
 33. *Ibid.*, 117.



34. Bettelheim, *Economic Calculation*, 56.
35. Ibid., 111.
36. Ibid., 56–57.
37. Ibid., 51.
38. Ibid., 52–53.
39. Ibid., 74.
40. Hegedus, *Socialism and Bureaucracy*, 117.
41. Bettelheim, *Economic Calculation*, 75–76.
42. Ibid., 74.
43. Ibid., 74–75.
44. The vanguard party, it should be noted, also has the power to alienate the means of production by privatizing these.
45. Of course, that property right is significantly truncated. Though having a right to possess particular means of production, individuals do not have the right to direct production, choose the goal of production, sell the means of production (legally), pass these on to their children through inheritance, or exercise any other property rights besides the right of use. Nevertheless, *loss* of those job rights should be understood as a confiscation of the property rights of workers within Real Socialism.

5. *The Conductor and the Battle of Ideas in the Soviet Union*

1. Canetti, *Crowds and Power*, 460.
2. See, for example, Robert C. Allen, *Farm to Factory: A Reinterpretation of the Soviet Industrial Revolution* (Princeton: Princeton University Press, 2003). See a convenient summary of relevant points in Robert C. Allen, "A Reassessment of the Soviet Industrial Revolution," *Comparative Economic Studies* 47 (2005). As an example of the problem, in 1981 it was reported in *Voprosy Ekonomiki* that "for every rouble of basic capital there is now 28 per cent less national income." Cited in Kagarlitsky, *The Dialectic of Change*, 242.
3. Allen, "A Reassessment of the Soviet Industrial Revolution."
4. Lewin, *The Soviet Century*, 206.
5. *Current Digest of the Soviet Press* 31/29.
6. Kari T. Liuhto, "The Transformation of the Soviet Enterprise and Its Management: A Literature Review," ESRC Centre for Business Research, University of Cambridge Working Paper no. 146, 15.
7. Filzer, *Soviet Workers and the Collapse of Perestroika*, 15.
8. Lewin, *The Soviet Century*, 206–8.
9. Ibid., 210.
10. Ibid., 337–38.
11. Filzer, *Soviet Workers and the Collapse of Perestroika*, 22, 28.
12. Lewin, *The Soviet Century*, 211.
13. Ibid., 213.



14. Flaherty, "Cycles and Crises in Statist Economies," 117–18.
15. A classic example of "path dependency" is the QWERTY keyboard, which points to the great difficulty of moving on to a more efficient path once substantial resources have already been invested in a method that appeared rational at an earlier stage. See Paul A. David, "Clio and the Economics of QWERTY," *American Economic Review* (May 1985).
16. Lewin, *The Soviet Century*, 329, 216, 371.
17. *New Times* 9 (March 10, 1986): 20.
18. Lewin, *The Soviet Century*, 366.
19. *Ibid.*, 366–67.
20. Flaherty, "Perestroika and the Soviet Working Class," 40–41.
21. Lewin, *The Soviet Century*, 367.
22. Marx, *Capital*, 3:507.
23. Kornai, *The Socialist System*, 56.
24. Canetti, *Crowds and Power*, 458.
25. J. M. Montias, "Planning with Material Balances in Soviet-Type Economies," in *Socialist Economics*, ed. Alec Nove and D. M. Nuti (Middlesex: Penguin Educational, 1974), 248.
26. Slava Gerovitch, "InterNyet: Why the Soviet Union Did Not Build a Nationwide Computer Network," *History and Technology* 24/4 (December 2008). Much of this discussion is drawn from this article.
27. *Ibid.*
28. Lewin, *The Soviet Century*, 218, 221.
29. Gerovitch, "InterNyet."
30. L.V. Kantorovich, "Mathematical Formulation of the Problem of Optimal Planning," in Nove and Nuti, *Socialist Economics*, 462–68.
31. Moshe Lewin, *Political Undercurrents in Soviet Economic Debates: From Bukharin to the Modern Reformers* (London: Pluto Press, 1975), 161.
32. Gerovitch, "InterNyet."
33. *Ibid.*
34. A. N. Kosygin, "On Improving Industrial Management," in Nove and Nuti, *Socialist Economics*, 329, 331.
35. V. V. Novzhilov, "Problems of Planned Pricing and the Reform of Industrial Management," in Nove and Nuti, *Socialist Economics*, 378–79, 383, 395.
36. Alec Nove, "Economic Reforms in the USSR and Hungary, a Study in Contrasts," in Nove and Nuti, *Socialist Economics*, 354.
37. Lewin, *Political Undercurrents in Soviet Economic Debates*, 187.
38. Nove, "Economic Reforms," 357.
39. Gerovitch, "InterNyet."
40. Kagarlitsky, *The Dialectic of Change*, 241.
41. Michael Ellman, "Economic Calculation in Socialist Economies," in *The New Palgrave: Problems of the Planned Economy*, ed. John Eatwell, Murray Milgate, and Peter Newman (New York: W. W. Norton, 1990), 99.



42. Karl Marx, "The Eighteenth Brumaire of Louis Bonaparte," in Karl Marx and Frederick Engels, *Selected Works* (Moscow: Foreign Languages Publishing House, 1951), 250.
43. Lewin, *Political Undercurrents in Soviet Economic Debates*, 180.
44. Marx, "The Eighteenth Brumaire of Louis Bonaparte," 250.
45. Lewin, *Political Undercurrents in Soviet Economic Debates*, 139, 141, 162, 166. In this work, Lewin offers a comprehensive and sympathetic presentation of the arguments of the economic reformers.
46. *Ibid.*, 144.
47. *Ibid.*, 164–65.
48. *Ibid.*, 140.
49. *Ibid.*, 171–74.
50. *Ibid.*, 139.
51. *Ibid.*, 157.
52. *Ibid.*, 165–66.
53. Dobb, *Socialist Planning: Some Problems*, 45.
54. Bettelheim, *Economic Calculation and Forms of Property*, 51, 75–76.
55. Lewin, *Political Undercurrents in Soviet Economic Debates*, 210–11.
56. *Ibid.*, 213.
57. Dobb, *Socialist Planning: Some Problems*, 13.
58. Lewin, *Political Undercurrents in Soviet Economic Debates*, 206, 209.
59. *Ibid.*, 192.
60. *Ibid.*, 205–6.
61. Nove, *The Soviet Economic System*, 179.
62. Lewin, *Political Undercurrents in Soviet Economic Debates*, 181, 193. Note that Lewin described many of the economists who opposed the reforms as "professors of political economy, who had built their careers on dogmas entirely divorced from economic realities" (185).
63. James P. Scanlan, "From Samazidat to Perestroika: The Soviet Marxist Critique of Soviet Society," in *The Road to Disillusion: From Critical Marxism to Post-Communism in Eastern Europe*, ed. Ray Taras (Armonk, NY: M. E. Sharpe, 1991), 24–25.
64. Scanlan, "From Samazidat to Perestroika," 26–27.
65. *New Times* 9 (March 10, 1986): 24–26.
66. Patrick Flaherty, "Perestroika and the Neoliberal Project," *Socialist Register* 1991: 148.
67. *Ibid.*, 146; and Patrick Flaherty, "Recasting the Soviet State: Organizational Politics in the Gorbachev Era," *Socialist Register* 1988: 98.
68. Patrick Flaherty, "Perestroika and the Soviet Working Class," 44.
69. Flaherty, "Perestroika and the Neoliberal Project," 147.
70. *Ibid.*, 148–49; Cook, *The Soviet Social Contract and Why It Failed*, 85. Such comments by intellectuals about Soviet workers were relatively mild. Mandel reports that one Soviet sociologist wrote "that the egalitarianism of



the Soviet population is nothing but 'black envy,' the ideology of lumpen, déclassé elements that make up so much of the society, a consequence of rapid industrialization and social upheaval. The ideology of the 'mass marginal' is 'leveling, destructive, malevolent envy and aggressive obedience'" David Mandel, *Perestroika and the Soviet People: Rebirth of the Labour Movement* (Montreal: Black Rose Books, 1991), 86.

71. A similar ideological victory occurred in other countries of Real Socialism although it was not only neoclassical economics as such but the "Austrian School" that influenced economists. As an example of how economic reformers ultimately embraced the capitalist entrepreneur (and concluded that only private ownership of the means of production can generate efficiency), see the discussion of Kornai and Włodzimierz Brus in Lebowitz, "The Socialist Fetter." Not surprisingly, in several countries of Real Socialism, the preferred economics textbooks became Paul Samuelson's *Economics* and even those of Milton Friedman and followers. The irony was most marked at the Karl Marx University of Economics in Budapest where the text used was Samuelson.
72. Kornai, *The Socialist System*, 41.
73. Ibid., 118–19.
74. Flaherty, "Cycles and Crises in Statist Economies," 116.
75. Ledeneva, *Russia's Economy of Favours*, 102.

6. From Moral Economy to Political Economy

1. Kornai, *Economics of Shortage*, 383.
2. Kagarlitsky, "Interview," *Against the Current*.
3. Ledeneva, *Russia's Economy of Favours*, 87. She also notes the Russian saying, "'Public' means that part of it is mine" (36).
4. Ibid., 49.
5. Ibid., 132.
6. Ibid., 167.
7. Ibid., 133.
8. Ibid., 35.
9. Ibid., 140–42.
10. E. P. Thompson, "The Moral Economy of the English Crowd in the Eighteenth Century," *Past and Present* 50 (1971): 78.
11. Li Jun, "Collective Action of Laid-off Workers and Its Implication on Political Stability: Evidences from Northeast China" (PhD diss., City University of Hong Kong, 2008), 34.
12. James C. Scott, *The Moral Economy of the Peasant: Rebellion and Subsistence in Southeast Asia* (New Haven: Yale University Press, 1976), 4–5.
13. Scott, *The Moral Economy of the Peasant*, 7.
14. Jeffrey Kopstein, "Workers' Resistance and the Demise of East Germany," <http://libcom.org/history/workers-resistance-demise-east-germany-jeffrey-kopstein>.



15. Thompson, "The Moral Economy of the English Crowd in the Eighteenth Century," 129.
16. Flaherty, "Recasting the Soviet State," 89–89.
17. Ivan Bernik, "Political Culture in Post-Socialist Transition: Radical Cultural Change or Adaptation on the Basis of Old Cultural Patterns?," Frankfurt Institute for Transformation Studies, No. 09, 2000.
18. Flaherty, "Perestroika and the Neoliberal Project," 145.
19. Bernik, "Political Culture in Post-Socialist Transition."
20. Efim Manevich, *Labour in the USSR: Problems and Solutions* (Moscow: Progress Publishers, 1985), 175–76.
21. Kopstein, "Workers' Resistance and the Demise of East Germany."
22. Jun, "Collective Action of Laid-off Workers," 64.
23. Bernik, "Political Culture in Post-Socialist Transition."
24. Significantly, Bernik notes that Zupanov's study of Yugoslavia indicated that both the egalitarian and authoritarian components of the egalitarian syndrome were not accepted by at least two social strata—professionals and managers.
25. Alex Pravda, "Industrial Workers and Political Development in the Soviet Union and Eastern Europe," National Council for Soviet and East European Research, 1981. <http://www.ucis.pitt.edu/nceer/1981-624-16-Pravda.pdf>.
26. Sztompka cited in Bernik, "Political Culture in Post-Socialist Transition."
27. Mandel, *Perestroika and the Soviet People: Rebirth of the Labour Movement*, 37–40.
28. Pravda, "Industrial Workers and Political Development in the Soviet Union and Eastern Europe."
29. David Mandel, "Economic Reform and Democracy in the Soviet Union," *Socialist Register* 1988, 141.
30. Thompson, "The Moral Economy of the English Crowd in the Eighteenth Century," 98.
31. Ledeneva, *Russia's Economy of Favours*, 133.
32. Michael Burawoy, "Working in the Tracks of State Socialism," *Capital & Class* 98 (Summer 2009).
33. Kopstein, "Workers' Resistance and the Demise of East Germany."
34. Burawoy, "Working in the Tracks of State Socialism."
35. Thompson, "The Moral Economy of the English Crowd in the Eighteenth Century," 131.
36. Marx talked about the disintegration of a theory when it, rather than reality, is the point of departure. See Lebowitz, *Beyond CAPITAL*, 21.
37. Marx, "Value, Price and Profit," *Collected Works of Marx and Engels*, 20:143–44.
38. *Ibid.*, 20:145.
39. *Ibid.*, 20:148–49.
40. Marx, *Capital*, 1:675.
41. *Ibid.*, 1:680.



42. Ibid., 1:681.
43. Ibid., 1:680.
44. Ibid., 1:682.
45. Lebowitz, *Following Marx*, 12–15; Marx, *Capital*, 3:983; Marx, *Capital*, 1:711, 713, 717, 732.
46. Lebowitz, “The Missing Book on Wage-Labour,” in *Beyond CAPITAL*, 27–50.
47. Marx, *Capital*, 1:729–30, 1064; Lebowitz, *Beyond CAPITAL*, 172–74.
48. Lebowitz, *Beyond CAPITAL*, 170–77.
49. Lebowitz, *Beyond CAPITAL*, 80–81.
50. “Those who mediate among producers have an interest in maintaining and increasing the degree of separation, division and atomization among producers in order to continue to secure the fruits of cooperation in production.” Lebowitz, *Beyond CAPITAL*, 99, see also 200.
51. See Lebowitz, “The Wealth of People,” in *The Socialist Alternative*, chap. 1.
52. Marx, *Capital*, 1:548, 643, 799; Lebowitz, *The Socialist Alternative*, 52–55.
53. Lebowitz, *The Socialist Alternative*, 42–55.
54. Marx, *Grundrisse*, 711.
55. Marx, *Capital*, 1:772.
56. Ibid., 1:772, 375.
57. Ibid., 1:375.
58. Ibid., 1:482, 799.
59. Ibid., 1:899.
60. See the summary and deepening of this discussion in Michael A. Lebowitz, “Trapped Inside a Box? Five Questions for Ben Fine,” *Historical Materialism* 18/1 (2010).
61. See the discussion of Marx’s 1861–63 *Economic Manuscript* in Lebowitz, “Wages,” in *Beyond CAPITAL*, 101–19.
62. Marx, *Capital*, 1:793.
63. The equilibrium in this respect is the Law: “the enduring (the persisting) in appearances,” as Lenin commented in his reading of Hegel. While grasping its character is an advance, Law does not go beyond the realm of appearances. See Lebowitz, *Following Marx*, 71–73.
64. Kornai, *Economics of Shortage*, 380.
65. Kornai, *Growth, Shortage and Efficiency*, 47–48.
66. Kornai, *Economics of Shortage*, 383.
67. Ibid., 509–10.
68. In 1986 I proposed that “the relation of distribution which flows from the relation of common and equal owners of the means of production is *to each according to his per capita share*.” Michael A. Lebowitz, “Contradictions in the ‘Lower Phase’ of Communist Society,” *Socialism in the World* 59 (1987): 124.
69. Marx, *Capital*, 1:681.
70. Ibid., 1:450, 548, 643, 799; Lebowitz, *The Socialist Alternative*, 52–55, 156.
71. Marx, *Capital*, 1:1064.



7. *Toward a Society of Associated Conductors*

1. Marx, *Grundrisse*, 325; Marx, *Capital*, 1:772.
2. Marx, *Grundrisse*, 278.
3. Lebowitz, *Build It Now*, 67.
4. E. P. Thompson, *The Poverty of Theory* (New York: Monthly Review Press, 1978), v.
5. Ledeneva, *Russia's Economy of Favours*, 133.
6. Burawoy, "Working in the Tracks of State Socialism."
7. Cook, *The Soviet Social Contract and Why It Failed*, 3.
8. Kopstein, "Workers' Resistance and the Demise of East Germany."
9. See, for example, Bill Lomax, "The Working Class in the Hungarian Revolution," *Critique*, Autumn–Winter 1979–80; the Solidarnosc Program adopted in 1981 as described in *Labor Focus on Eastern Europe* 5/1–2 (Spring 1982); and "Poland: The Fight for Workers' Control," *Workers' Liberty* 10 (May 1988), excerpted from Zbigniew Kowalewski, *Rendez-vous nos usines* (Paris: PEC, 1985).
10. See Karol Kovanda, "Czechoslovak Workers' Councils," *Telos* 28 (Summer 1976).
11. Mandel, *Perestroika and the Soviet People*, 89–90, 123; Flaherty, "Perestroika and the Neoliberal Project," 151–52.
12. Lebowitz, *The Socialist Alternative*, 78–81; Marx, *Grundrisse*, 158–59, 171–72.
13. Karl Marx, *Economic and Philosophical Manuscripts of 1844*, in Marx and Engels, *Collected Works*, vol. 3 (New York: International Publishers, 1975), 296, 298.
14. Ledeneva, *Russia's Economy of Favours*, 140–42, 147.
15. Holly High, "Cooperation as Gift versus Cooperation as Corvée," paper presented at "Regenerations: New Leaders, New Visions in Southeast Asia," Council of Southeast Asian Studies, Yale University.
16. Karl Marx, "Comments on James Mill," in Marx and Engels, *Collected Works*, 3:225–28; Lebowitz, "The Solidarian Society," in *The Socialist Alternative*, 65–81.
17. Mark Osteen, "Jazzing the Gift: Improvisation, Reciprocity, Excess," *Rethinking Marxism* 22/4 (October 2010): 570.
18. Marx, *Grundrisse*, 158–59.
19. Karl Marx, *Critique of the Gotha Programme*, in Marx and Engels, *Selected Works*, vol. 2 (Moscow: Foreign Languages Publishing House, 1962), 24.
20. Marx, *Grundrisse*, 278.
21. See Lebowitz, *The Socialist Alternative*, 92–99.
22. For this discussion, see Lebowitz, "The Being and Becoming of an Organic System," in *The Socialist Alternative*, chap. 4, esp. 89–99.
23. Marx, *Capital*, 1:899.
24. Lewin, *The Soviet Century*, 363.



25. Ledeneva, *Russia's Economy of Favours*, 103.
26. Lewin, *The Soviet Century*, 365–66.
27. Lebowitz, *The Socialist Alternative*, 63–81.
28. Lebowitz, *The Socialist Alternative*, 73–76. See also the discussion of problems in Yugoslav market self-management in Lebowitz, “Seven Difficult Questions,” in *Build It Now*, chap. 6.
29. Lebowitz, *The Socialist Alternative*, 77.
30. The appropriate stance was indicated by Hegel: “When we want to see an oak with all its vigour of trunk, its spreading branches, and mass of foliage, we are not satisfied to be shown an acorn instead.” Indeed, that new system, “when as yet it has reached neither detailed completeness nor perfection of form, is exposed to blame on that account. But it would be as unjust to suppose this blame to attach to its essential nature, as it is inadmissible not to be ready to recognise the demand for that further development in fuller detail.” G. W. F. Hegel, *The Phenomenology of Mind* (New York: Harper Torchbooks, 1967), 75, 77.
31. Karl Marx, *Theories of Surplus Value*, vol. 3 (Moscow: Progress Publishers, 1971), 84–85. See also Marx’s comments about Ricardo’s disciples, who attempted to solve “a series of inconsistencies, unresolved contradictions and fatuities . . . with phrases in a scholastic way. Crass empiricism turns into false metaphysics, scholasticism, which toils painfully to deduce undeniable empirical phenomena by simple formal abstraction directly from the general law, or to show by cunning argument that they are in accordance with that law.” Marx, *Economic Manuscripts of 1861–63*, in Marx and Engels, *Collected Works*, vol. 30 (New York: International Publishers, 1988), 395.
32. See Lebowitz, *Following Marx*, esp. chap. 5, “Following Hegel: The Science of Marx,” and chap. 10, “Marx’s Methodological Method as a Whole.”
33. Marx and Engels, *Collected Works*, 3:144.
34. Marx, *Grundrisse*, 278.
35. Lebowitz, *The Socialist Alternative*, 131.

8. Good-bye to Vanguard Marxism

1. Of course, Vanguard Marxism did not drop from the sky. But that is a subject for what was to be part 2 of this book and now will be part of a later book.
2. Lebowitz, *Beyond CAPITAL*.
3. *Ibid.*, 137–38.
4. *Ibid.*, 123.
5. *Ibid.*, 124.
6. *Ibid.*, 131–33, 202–4; Lebowitz, *The Socialist Alternative*, 14–16, 42–45.
7. Marx, *Capital*, 1:772, 899.
8. See, in particular, “The One-Sidedness of Wage-Labour,” chap. 8, and “The Dimensions of Class Struggle,” chap. 10, in Lebowitz, *Beyond CAPITAL*.
9. *Ibid.*, 23; Karl Marx, *Economic and Philosophical Manuscripts of 1844*, in



- Marx and Engels, *Collected Works*, vol. 3 (New York: International Publishers, 1975), 241–42, 284.
10. Marx, *Critique of the Gotha Programme*, 24; Lebowitz, *The Socialist Alternative*, 71–72.
 11. Marx, *Economic and Philosophical Manuscripts of 1844*, 241.
 12. Marx, *Grundrisse*, 99–100. See the discussion of Marx's concept of an organic system in Lebowitz, *Beyond CAPITAL*, 51–59; and Lebowitz, *The Socialist Alternative*, 85–92.
 13. Lukács, *History and Class Consciousness*, 27.
 14. V. I. Lenin, *Philosophical Notebooks*, in Lenin, *Collected Works*, vol. 38 (Moscow: Foreign Languages Publishing House, 1961), 146–47.
 15. Karl Marx and Frederick Engels, *The German Ideology*, in Marx and Engels, *Collected Works*, vol. 5 (New York: International Publishers, 1976), 53.
 16. Levins and Lewontin, *The Dialectical Biologist*, 274–75.
 17. Lenin, *Philosophical Notebooks*, 159.
 18. The reference here is to the Sermon on the Mount which, as can be seen below, was evoked by Keynes.
 19. Marx, *The Poverty of Philosophy*, 167.
 20. Lenin, *State and Revolution* (Peking: Foreign Languages Press, 1965), 115–16.
 21. Lenin, *State and Revolution*, 112–13.
 22. In the zero-sum game of individuals exchanging their labor with society, if some are able to receive more than their contribution, others will receive less. Accordingly, the “socialist principle” is a means of regulating equal relations among owners of labor-power.
 23. Lenin, *State and Revolution*, 114–15.
 24. *Ibid.*, 115.
 25. Of course, it defies all logic to suggest that encouraging self-interested behavior within vanguard relations will lead to that “enormous” growth of productive forces that ushers in the society of abundance. Insofar as there is a growth of production under vanguard relations, it is *alienated* production, and the joint product is *alienated labor*. Accordingly, the need to possess alien products grows, and abundance will always be out of sight.
 26. J. M. Keynes, “Economic Possibilities for our Grandchildren,” *Essays in Persuasion* (New York: W. W. Norton, 1963), 358–73.
 27. Marx, *Critique of the Gotha Programme*, 24.
 28. Marx, *Grundrisse*, 278.
 29. *Ibid.*, 459–60. See the discussion on “the becoming of a new system” in Lebowitz, *The Socialist Alternative*, 89–99.
 30. Marx, *Grundrisse*, 278.
 31. Marx, *Critique of the Gotha Programme*, 23–24.
 32. *Ibid.*, 23, 25.
 33. *Ibid.*, 23.



34. Further, Marx noted “*that which is intended for the common satisfaction of needs . . . grows in proportion as the new society develops.*” Ibid., 22, 24.
35. Marx, *Capital*, 3:571; Karl Marx, “Instructions to the Delegates of the Provisional General Council: The Different Questions,” in *Minutes of the General Council of the First International, 1864–66* (Moscow: Foreign Languages Publishing House, n.d), 346. See Lebowitz, *Beyond CAPITAL*, 88–89; and Lebowitz, *The Socialist Alternative*, chap. 3, “The Solidarian Society,” for a discussion of the limits of the cooperatives.
36. See Lebowitz, “The Production of People,” chap. 2, in *The Socialist Alternative*.
37. Note, though, the essential 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.” Carlos Tablada, *Che Guevara: Economics and Politics in the Transition to Socialism* (Sydney, Aus.: Pathfinder, 1989), 92. I explored the problem of building upon defects at the 3rd International Conference on the Work of Karl Marx and the Challenges of the 21st Century, Havana, Cuba, May 3–6, 2006. See Michael A. Lebowitz, “Building on Defects: Theses on the Misinterpretation of Marx’s Gotha Critique,” *Science and Society*, October 2007.
38. Marx, “The Eighteenth Brumaire of Louis Bonaparte.”
39. Efim Manevich, *Labour in the USSR* (Moscow: Progress Publishers, 1985), 175–76. Is it a paradox that Vanguard Marxism’s call for the enforcement of “an equal amount of products for an equal amount of labour” is the call for a fair day’s pay for a fair day’s work—the moral economy of the working class under capitalism?
40. Marx, *Critique of the Gotha Programme*, 25.
41. Ibid., 24–25. See also Marx, “Relations of Distribution and Relations of Production,” in *Capital*, 3: chap. 51.
42. Marx, *Grundrisse*, 158–59.
43. Marx, *Capital*, vol. 3 (New York: Vintage, 1981), 959. Although Marx commented with respect to the realm of freedom that “the reduction of the working day is its basic prerequisite,” this is a conception of labor within the workday as inherently alienated and separate from human development. In contrast, I have argued that, rather than reducing the workday, the point is to *transform* it into a socialist workday, which includes in its definition time for education in worker management and time for contributing to the community and household. See Lebowitz, “The Capitalist Workday, the Socialist Workday,” *MRZine*, April 2008; and Lebowitz, *The Socialist Alternative*, 134, 156.
44. In *The Socialist Alternative*, I stress the importance of a political instrument to provide leadership in the struggle for socialism: “But what kind of political



instrument can build such a process? Only a party of a different type. Nothing could be more contrary to a theory that stresses the self-development of the working class through revolutionary practice than a party that sees itself as superior to social movements and as the place where the masses of members are meant to learn the merits of discipline in following the decisions made by infallible central committees" (160-61).





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