

DEMOCRACY AND DICTATORSHIP IN THE WORKPLACE¹

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1. A GOOD SOCIETY

1. What is a good society? What do we want--- for ourselves, for our families, for those we love? What are the characteristics of a good society, one in which we would like to live, one to which we think everyone has a right?

2. As I argue in *The Socialist Alternative: Real Human Development* (Lebowitz, 2010), a good society is one that permits the full development of human potential. This was the starting point for Marx and other nineteenth century socialists. Saint-Simon viewed such a society as one that would provide to its members “the greatest possible opportunity for the development of their faculties.” Similarly, for Louis Blanc, the goal was to ensure that everyone has “the *power* to develop and exercise his faculties in order to really be free.” And, Friedrich Engels indicated that the aim of Communists was “to organize society in such a way that every member of it can develop and use all his capabilities and powers in complete freedom and without thereby infringing the basic conditions of this society” (Lebowitz, 2006: 53-60).

3. A good society, too, is one where people care about each other and understand that “the development of the human capacities on the one side [cannot be] based on the restriction of development on the other” (Marx, 1988: 190-2). It is based upon the concept of a human family where our relations (in the words of Article 75 of the Bolivarian Constitution) are based upon “equality of rights and duties, solidarity, common effort, mutual understanding and reciprocal respect.” Rather than a collection of self-oriented individuals (and groups), the good society is one where we recognize “the obligations which, by virtue of solidarity, social responsibility and humanitarian assistance, are incumbent upon private individuals according to their abilities” (Article 135). Very simply, the good society (as the *Communist Manifesto* put it) is an association in which “the free development of each is the condition for the free development of all.”

4. That society which permits the free development of all, though, does not fall from the sky. As I argue below, its realisation requires practice--- the protagonism of people in all their activities, the protagonistic democracy whereby people transform themselves. Rather than a concept of democracy in which we periodically vote for those who will misrule us, protagonistic democracy insists that the sovereign people must be the subjects rather than the objects of power because it is only through our own practice that we can develop our capacities. And, nowhere is this truer than in the workplace.

2. DEMOCRACY AND DICTATORSHIP: A NEOCLASSICAL ARGUMENT

5. Why should we value democracy? Let us begin by considering the argument that a neoclassical economist might make. To the extent that their critiques of socialism are critiques of top-down planning, we can infer that logically neoclassical economists would reject dictatorship and would support democracy.

¹ For a fuller discussion of issues developed here, see Lebowitz (2010).

6. Thus, a neoclassical economist might propose that decisions are more likely to reflect the welfare of all when we all participate in making those decisions. In other words, there is the probability that when decisions are monopolised, i.e., when they are dictated from above, they will be influenced by the particular interests of the dictators. So, in this respect, with democratic decision-making, outcomes are more likely to reflect the interests of people at large. The absence of democracy accordingly reduces general welfare.

7. Of course, one could argue that the dictator has the advantage of looking at all information and therefore can act in the interests of all. Even if the dictator were subjectively inclined to maximize the welfare of the underlying population, however, would he be *capable* of doing so? For example, how would he acquire information about the preferences and welfare of all those below? There is, in short, the problem of obtaining the necessary information to make decisions reflecting the interests of all--- and the very high costs of acquiring it.

8. And, if those below are not able to make decisions themselves but simply are expected to provide information to the one who decides, will they transmit accurate information? (This is not simply a question of distorting information in their favour; there is also the problem that much knowledge is tacit rather than articulated knowledge.). Further, if everyone is not actively involved in making decisions in their own interest, what would ensure compliance with those decisions? The costs of monitoring and sanctioning noncompliance would clearly be higher if decisions are made by a dictator and thus are less likely to correspond to the real preferences of people.

9. Thus, by this logic, two types of problems may be identified: (1) choices which are suboptimal because they reflect the interests of those who dictate rather than being made democratically and (2) outcomes--- regardless of the specific choices made--- which are suboptimal because of the difficulties and costs of acquiring information and enforcing compliance. Accordingly, the absence of democracy could be seen as producing inefficiency-- a suboptimal state.

10. *Of course, it should be apparent that the very same argument can be made about dictatorship within the workplace.* There, too, decisions dictated at the top will lack adequate information, will require monitoring and enforcement, will face the difficulty of tacit knowledge and will be in the interests of the decision-makers rather than the mass of people within the workplace. So, rather than offering support for capitalist relations, a neoclassical case can be made for inefficiency in the absence of democratic decision-making within the workplace.

11. Yet, as Maurice Dobb commented many years ago, attempts to use neoclassical economic theory to model a market socialist economy (with all the presumed efficiencies of the perfectly competitive capitalist economy) miss the real point. The case for socialism, he stressed, is not its ability to achieve the static efficiency of the neoclassical model ('a theoretically perfect adjustment between the output of various types of consumption goods') but, rather, its *dynamic* characteristics--- i.e., its ability to expand the possibilities for production rather than to maximize efficiency at a given point (Dobb, 1955: 245).

12. That was an important insight. *However, Dobb got it wrong:* the case for socialism (and, as we will see, democracy) is not the possibility for expanded production of means of production; rather, it is the potential for the development of human capacities, the potential for producing what Marx called 'rich human beings'. In short, rather than a focus upon

static inefficiency, the more important question is a specific dynamic one -- *how does democracy or the lack of it affect human development?*

3. HUMAN DEVELOPMENT AND PRACTICE

13. The Bolivarian Constitution of Venezuela explicitly asserts in Article 299 that the goal of a human society must be that of ‘ensuring overall human development’. In the declaration of Article 20 that ‘everyone has the right to the free development of his or her own personality’ and the focus of Article 102 upon ‘developing the creative potential of every human being and the full exercise of his or her personality in a democratic society’-- - this theme of human development pervades the Constitution.²

14. Underlying this focus is a theory. It is a theory which stresses the gap between what is and what *ought* to be. Implicit is the recognition that the full development of our creative potential is not occurring but that it is *possible*. In other words, what we observe now in the capacities of human beings is not *all* that is possible, what we observe now is a fraction of what we can be. It is a clear recognition that human development is not fixed and that we do not know its boundaries. It is a political statement--- because it implies that there is an alternative.

15. There is another very important characteristic of the Bolivarian Constitution; and, that is its focus upon precisely *how* people develop their capacities and capabilities--- i.e., how overall human development occurs. Article 62 of the Constitution declares that participation by people in ‘forming, carrying out and controlling the management of public affairs is the necessary way of achieving the involvement to ensure their complete development, both individual and collective.’ The *necessary* way. And, the same focus upon a democratic, participatory and protagonistic society is present in the economic sphere, which is why Article 70 stresses ‘self-management, co-management, cooperatives in all forms’ and why Article 102’s goal of ‘developing the creative potential of every human being’ emphasizes ‘active, conscious and joint participation’.

16. Here, again, the Constitution embodies a theory. Whether it was conscious or not on the part of the drafters of the Constitution; that theory is Karl Marx’s concept of ‘revolutionary practice’. Revolutionary practice, he stressed, is ‘the coincidence of the changing of circumstances and of human activity or self-change.’ Marx developed this idea that we develop our capacities and capabilities through our activity in his earliest writings. But, it is a theme which runs throughout his work. He talked, for example, of how people develop through their struggles--- how this is the only way the working class can ‘succeed in ridding itself of the muck of ages and become fitted to found society anew.’ And he told workers that they would have to go through as much as 50 years of struggles ‘not only to bring about a change in society but also to change yourselves, and prepare yourselves for the exercise of political power.’ And, again, after the Paris Commune in 1871, over a quarter of a century after he first began to explore this theme, he commented that workers know that ‘they will have to pass through long struggles, through a series of historical processes, transforming circumstances and men’.³

² See the discussion of the Bolivarian Constitution and the Bolivarian Revolution in ‘The Revolution of Radical Needs: Behind the Bolivarian Choice of a Socialist Path’ in Lebowitz (2006), Ch. 7.

³ See the discussion in ‘Socialism Doesn’t Drop from the Sky’ in Lebowitz (2006), Ch. 5 and Lebowitz (2010).

17. Always the same point--- we change ourselves through our activity. This idea of the simultaneous change in circumstances and self-change, however, was not limited to class struggle itself. It was present in *all* activities of people. As the French Marxist Lucien Sève (1978: 304, 313) commented, ‘Every developed personality appears to us straight away as *an enormous accumulation of the most varied acts through time*’, and those acts play a central role in producing human ‘capacities’--- ‘the ensemble of ‘actual potentialities’, innate or acquired, to carry out any act whatever and whatever its level.’ We are, in short, the product of all our activities.

18. Thus, Marx argued that we transform ourselves in the course of our productive activity. In the very act of producing, ‘the producers change, too, in that they bring out new qualities in themselves, develop themselves in production, transform themselves, develop new powers and new ideas, new modes of intercourse, new needs and new language’ (Marx, 1973: 494). The worker as outcome of his own labour, indeed, enters into Marx’s discussion in *Capital* of the labour process—there the worker ‘acts upon external nature and changes it, and in this way he simultaneously changes his own nature’ (Marx, 1977: 283).

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

4. THE PRODUCTS OF CAPITALIST PRODUCTION

20. So, what kinds of people are produced when there is dictatorship in the sphere of production? Consider capitalist production. There is nothing democratic about capitalist relations of production; rather, within the capitalist workplace, people are subjected to ‘the powerful will of a being outside them, who subjects their activity to his purpose.’ The creative power of the worker’s labour in this case ‘establishes itself as the power of capital, as an *alien power* confronting him’ (Marx, 1977: 450; 1973: 453, 307). Thus, fixed capital, machinery, technology, all ‘the general productive forces of the social brain’, appear as attributes of capital and as independent of workers (Marx, 1973: 694; 1977: 1053-4, 1058). Workers produce products which are the property of capital, which are turned against them and dominate them as capital.

21. The world of wealth, Marx commented, faces the worker ‘as an alien world dominating him’. And, that alien world dominates the worker more and more because capital constantly creates new needs to consume as the result of its requirement to realize the surplus value contained in commodities. For workers within this relationship, producing is a process of a ‘complete emptying-out’, ‘total alienation’, the ‘sacrifice of the human end-in-itself to an entirely external end’ (Marx, 1973: 488). How else but with money, the true need that capitalism creates, can we fill the vacuum? We fill the vacuum of our lives with things--- we are driven to consume.

22. But the inherent tendency toward consumerism is only one way that capitalism deforms people. In *Capital*, Marx described the mutilation, the impoverishment, the ‘crippling of body and mind’ of the worker ‘bound hand and foot for life to a single specialized operation’ which occurs in the division of labour characteristic of the capitalist process of manufacturing. Did the development of machinery rescue workers under

capitalism? No, Marx stressed, it completes the ‘separation of the intellectual faculties of the production process from manual labour’.

23. And, in this situation, head and hand become separate and hostile, ‘every atom of freedom, both in bodily and in intellectual activity’ is lost. ‘All means for the development of production undergo a dialectical inversion,’ Marx indicated; ‘they distort the worker into a fragment of a man,’ they degrade him and ‘alienate from him the intellectual potentialities of the labour process’--- these are just some of the distortions characteristic of capitalist production (Marx, 1977: 548, 643, 799). In short, in addition to producing commodities and capital itself, the joint product of capitalist production that Marx identified in *Capital* is the fragmented, crippled human being whose enjoyment consists in possessing and consuming things.

5. RICH HUMAN BEINGS

24. What are the conditions, then, for ‘developing the creative potential of every human being and the full exercise of his or her personality in a democratic society’? Right from the outset of his work, Marx envisioned a person who has developed his capacities and capabilities to the point where he is able ‘to take gratification in a many-sided way’--- ‘the rich man *profoundly endowed with all the senses.*’ ‘In place of the *wealth and poverty* of political economy,’ Marx proposed, ‘come the *rich human being* and *rich human need*. The *rich human being* is simultaneously the human being *in need of* a totality of human manifestations of life--- the man in whom his own realisation exists as an inner necessity, as *need*’ (Marx, 1975: 302, 304)..

25. Marx *continued* to stress the centrality of the concept of rich human beings a decade later in the *Grundrisse*. ‘When the limited bourgeois form is stripped away,’ he asked, ‘what is wealth other than the universality of individual needs, capacities, pleasures, productive forces etc., created through universal exchange’ (Marx, 1973: 488)? In envisioning this rich human being--- ‘as rich as possible in needs, because rich in qualities and relations--- ... as the most total and universal possible social product,’ Marx revealed his understanding that *real wealth is the development of human capacity* (Marx, 1973: 409).

26. Indeed, the very *premise* of Marx’s *Capital* is the concept of a society in which the development of all human powers is an end in itself. The ‘society of free individuality, based on the universal development of individuals and on the subordination of their communal, social productivity as their social wealth’ is the spectre that haunts Marx’s *Capital* (Marx, 1973: 158). In contrast to the society propelled by the capitalist’s impulse to increase the value of his capital (and which looks upon human beings and nature as mere means), Marx explicitly evoked ‘the inverse situation in which objective wealth is there to satisfy the worker’s own need for development’ (1977: 772).

27. *What* ‘inverse situation’? In fact, that ‘inverse situation’ oriented to human development is the perspective from which Marx persistently critiques capitalism. After all, he describes the fact that in capitalism means of production employ workers as ‘this inversion, indeed this distortion, which is peculiar to and characteristic of capitalist production’ (Marx, 1977: 425). Read *Capital* with the purpose of identifying the inversions and distortions in capitalism that produce truncated human beings, and we can get a sense of Marx’s idea of what is necessary to produce rich human beings. We understand what is

‘peculiar to and characteristic of’ production in Marx’s conception of socialism by inverting the capitalist inversion.

28. Given Marx’s description of the crippling of the body and mind of the worker, of how all means for the development of capitalist production ‘undergo a dialectical inversion’ and alienate from the worker ‘the intellectual potentialities of the labour process’, there can be little surprise that he looked forward to the *re-combining* of head and hand, the uniting of mental and physical labour--- i.e., to a time when the individual worker can call ‘his own muscles into play under the control of his own brain.’

29. By ‘combining education and gymnastics with manual labour’--- here was ‘the germ of the education of the future;’ it was, indeed, ‘the only method of producing fully developed human beings’ (Marx, 1977: 613-4, 643). The answer to truncation of people was ‘variation of labour, fluidity of functions, and mobility of the worker in all directions’-- -- this is what is meant by the development of human capacity. The partially developed individual, Marx argued, ‘must be replaced by the totally developed individual, for whom the different social functions are different modes of activity he takes up in turn’ (Marx, 1977: 617-8).

30. At the core of all this is the importance of *variety*, variety of activity. People develop their capabilities only through their own activity, only through practice. Through new acts which allow for the growth of their specific capacities, through that ‘accumulation of the most varied acts through time’ to which Sève refers. In this way, they produce in themselves the potentialities to carry out other acts which reproduce and expand their capabilities. When they are *denied* the opportunity to exercise these potentialities, however, they do *not* develop; and, that is precisely what Marx recognised was inherent in a society in which human beings exist as means for the expansion of capital.

31. Accordingly, it is not accidental that Marx indicated that the ‘revolutionary ferments whose goal is the abolition of the old division of labour stand in diametrical contradiction with the capitalist form of production’ (Marx, 1977: 619). But, more than a simple combination of mental and manual labour within the sphere of production is needed. If the interconnection of workers in production ‘confronts them, in the realm of ideas, as a plan drawn up by the capitalist, and, in practice, as his authority, as the powerful will of a being outside them,’ how can rich human beings be the result?

32. For Marx, it was clear: ‘When the worker cooperates in a planned way with others, he strips off the fetters of his individuality, and develops the capabilities of his species’ (Marx (1977: 447). However, without ‘intelligent direction of production’ by workers, without production ‘under their conscious and planned control,’ workers cannot develop their potential as human beings because their own power becomes a power over them (Marx, 1977: 450, 173).

6. THE PRODUCTION OF POOR HUMAN BEINGS IN ‘REAL SOCIALISM’⁴

33. Lack of democracy within the workplace is not unique to capitalism. Consider the position of workers in the Soviet Union from the 1950s onward. Workers there had *job rights*. Not only was there full employment, but they also had significant protection against

4 This section is drawn from Lebowitz (2008) and is developed fully in a work in progress, *The Contradictions of Real Socialism: Essays in Vanguard Relations of Production*, which is Volume I of *Studies in the Development of Socialism*.

losing their jobs or indeed, having their individual jobs altered in a way which they didn't like. That was real job security--- certainly different from the situation of workers in capitalism, where the reserve army of unemployed is regularly reproduced and reinforces the dependence of workers upon capital.

34. What *more* could workers want? Well, think about what Soviet workers did *not* have. First of all, they had no power to make decisions within the workplace--- they had the right to submit proposals on how to improve work, but the managers decided which, if any, suggestions they would accept. Those workers had no independent and autonomous voice: the trade unions, which protected their individual job rights, had their leadership selected from above and played the role principally of transmission belts to mobilise the workers in production.

35. So, what was the result of the powerlessness in the workplace of the Soviet worker? One result was its effect upon workers--- they were alienated, cared little about the quality of what they produced or about improving production, worked as little as possible (except at the end of plan periods when there was the possibility of getting bonuses) and used the time and energy they had left over to function in the 2nd economy or informal sector. No one could possibly suggest that these relations within production tend to produce rich human beings.

36. There was another effect, though, of the denial of opportunity for workers to manage their workplaces and to develop their capabilities. Someone *else* did--- the enterprise managers and their staff. This was a group which maximized its income by its knowledge of production, its ability to manipulate the conditions for obtaining bonuses and its development of horizontal and vertical links and alliances. Over a period of time, the leadership at the top of the Soviet Union became more dependent upon the managers; and, as economic problems mounted, that leadership accepted the perspective of the managers on how to solve those problems. Theirs was a perspective quite different from that of workers--- a perspective which rejected, among other things, job rights and stressed the rationality of a reserve army of the unemployed. Not surprisingly, the managers emerged as the capitalist class of the Soviet Union.

37. The Soviet experience is one example of a lesson from 20th Century attempts to build socialism:

- a. When workers don't manage, *someone else* does.
- b. When workers don't develop their capabilities through their practice, *someone else* does.
- c. However much you may think you have banished capitalism from the house, when production is not based upon the relation of production of associated producers, sooner or later capitalism comes in--- first, through the backdoor, and then it marches openly through the front door.

7. HUMAN DEVELOPMENT REQUIRES DEMOCRACY AS PRACTICE

38. . This is the context in which to think about the premise of the Bolivarian Revolution --- that key link of human development and practice which is contained in the Bolivarian Constitution. The goal of a human society must be that of 'ensuring overall human development', and 'the necessary way... to ensure their complete development, both individual and collective' is by their democratic involvement both in public affairs and in the economic sphere. It is also the context in which to understand President Chavez's call to

‘reinvent socialism’--- to ‘reclaim socialism as a thesis, a project and a path, but a new type of socialism, a humanist one, which puts humans and not machines or the state ahead of everything’ (Lebowitz, 2006: 109).

39. The Bolivarian Revolution in Venezuela has moved to make these words flesh by attempting to build a revolutionary democracy which is embodied in communal councils and workers councils. The explicit concept is one of democracy in *practice*, democracy *as practice*, *democracy as protagonism*. Democracy in this sense--- protagonistic democracy in the workplace, protagonistic democracy in neighbourhoods, communities, communes--- this is the democracy of people who are transforming themselves into revolutionary subjects. Not only are these steps toward identifying the needs and capacities of communities and workers but they also are a way of *building* the capacities of the protagonists and fostering a new social relation among producers, the relation of associated producers based upon solidarity.

40. Underlying this process is the recognition that dictatorship in the workplace and society truncates the development of human capacities. It is not simply a matter of inefficiency, static inefficiency. We need to remember that there is a joint product in all human activity and that protagonism in the workplace and society is an investment in human capacities and human development.

41. When workers combine the conception of work with its execution, not only can the intellectual potentialities of *all* the associated producers be developed but the ‘tacit knowledge’ that workers have about better ways to work and to produce also can be a social knowledge from which we all benefit. Democratic, participatory and protagonistic production both draws upon our hidden human resources and develops our capacities. But, without that combination of head and hand, the division between those who *think* and those who *do* continues--- as does the pattern that Marx described in which ‘the development of the human capacities on the one side is based on the restriction of development on the other side’ (Marx, 1988: 191). Democracy in production is a necessary condition for the free development of all.

42. What kind of society can provide the conditions for the full development of human capacities? Building that society requires more than democracy in the individual workplace. In the Bolivarian revolution, democracy in the workplace is seen as one part of a socialist combination of production, distribution and consumption. Social ownership of the means of production, social production organised by workers and production for social needs make up the three sides of what President Chavez has called ‘the elementary triangle of socialism.’ All three sides, though, are necessarily permeated by the profound, protagonistic democracy that is the necessary condition for human development.⁵

⁵ Examination of socialism as an organic system and the process of building the socialist triangle is the subject matter of Lebowitz (2010).

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