

A Further Step *Beyond Capital*

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In a symposium held by the journal *Historical Materialism* (2006: 14-2) on this book, several writers (while very supportive of the project to develop the political economy of the working class) discussed the need to go further in order to explore the question of a political theory for the working class. It was an interesting challenge: are the elements of such a theory present in the book? In trying to follow out the logic of argument, it occurred to me that this discussion would be relevant to readers in Turkey who are prepared to rethink some of the old ideas and arm themselves theoretically for the struggles of the new century.

Elements of a Theory

1. *Focus on human development*: as the concluding chapter ('From Capital to the Collective Worker') underlines, we move in *Beyond Capital* from consideration of the side of the wage-labourer to a focus upon the collective worker and the society in which that collective worker exists not for capital but for self-- i.e., 'the inverse situation in which objective wealth is there to satisfy the worker's own need for development.' Human development, the full development of human potential, 'the rich human being' and 'rich individuality', emerge in the book as the core of Marx's understanding of true wealth.¹

¹ See especially Lebowitz, 2003: 130-3, 202-10.

2. *The vision of an alternative*: that ‘inverse situation’, ‘based on the universal development of individuals and on their subordination of their communal, social productivity as their social wealth’ is the standard by which Marx judges capitalism. Communist society in which our production is an ‘exchange of activities, determined by communal needs and communal purposes’, in short, is Marx’s unstated premise of *Capital* and the goal for which we struggle.² That alternative we embrace is one where ‘the free development of each is the condition for the free development of all.’

3. *The centrality of revolutionary practice*: ‘the coincidence of the changing of circumstances and of human activity or self-change’ is at the core of Marx’s understanding of how people develop. Only through practice do people ‘transform themselves, develop new powers and ideas, new modes of intercourse, new needs and new language.’³⁴

4. *The necessity of theory*: precisely because of the inherent mystification of capital, Marx’s critique of the political economy of capital is a necessary condition for workers to be able to go beyond capital because it reveals what capital is--- the result of exploitation. As pointed out in *Beyond Capital*:

² Marx, 1973: 171-2; Lebowitz, 2003: 209.

³ Marx, 1973: 494; Lebowitz, 2003: 178-84. Note that the focus upon the development of human capacities and capabilities and its relation to practice permeates the Bolivarian Constitution of Venezuela; see, e.g., Article 62: ‘the participation of the 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.’ Cf., Michael A. Lebowitz, *Build it Now: Socialism for the 21st Century* (New York: Monthly Review Press, 2006).

⁴ Cf., Lebowitz, 2003: 184-9.

the analysis developed in Marx's *Capital* is essential for going beyond capital. Without it, there is the unchallenged appearance that the worker sells 'a certain quantity of labour'; accordingly, exploitation presents itself as the result of not receiving a fair return in this transaction--- not receiving 'a fair day's pay for a fair day's work.' Marx's analysis of capital provides workers with a critical weapon--- the reason to negate and abolish capitalism rather than to attempt merely to change it to make it fair.⁵

In short, the struggles of workers against capital to realise their needs are not sufficient *in themselves* to go beyond capital rather than to struggle within capitalism.

5. *The necessity for the further development of theory*: the political economy of the working class points directly to the social productivity of the collective worker and to the means by which workers are prevented (in each moment of the circuit of capital and, fundamentally, through capital's ownership of the products of social labour) from capturing the fruits of cooperation. Thus, it stresses the centrality of the struggle to end the separation of the producers and the potential to create a new society in which our communal, social productivity satisfies our own need for development. Moving from the unmasking of capital's claim to the 'objective wealth' produced by past and present workers to consider the collective worker, the political economy of the working class goes beyond the bounds of the critique of the political economy of capital (bounds given by that political economy itself) to encompass all the labour which enters as moments into the production of the collective worker. Those interdependent limbs of the collective

⁵ *Ibid.*, 198.

worker which are unproductive of surplus value but produce wealth for workers (as in healthcare, education and the nurturing of children) are recognised as essential in both the struggle for and realisation of a society based upon the worker's own need for development.

Implications for Political Theory

6. *Social Democracy*. One reader of *Beyond Capital* worried that I had limited my comment on social democracy in the book to a 'one sentence footnote on the "sorry history of social democracy, which never ceases to reinforce the capital relation"'; however, that footnote *begins*: 'Here in a nutshell is the sorry history ...,' and the '*here*' refers to what has been said in the text:

Until workers break with the idea that capital is necessary, a state in which workers have political supremacy will act to facilitate conditions for the expanded reproduction of capital... The state, accordingly, remains entirely within the bounds of the capitalist relation and is its guarantor so long as workers look upon capital's requirements as 'self-evident natural laws.'⁶

There should be little doubt that my perspective ('in a nutshell') on social democracy is that social democracy in itself reinforces capitalism--- and that this criticism is linked directly to the failure noted in #4 above to recognise that capital is the result of the exploitation of workers. Of course, the particular struggles conducted by

⁶ Lebowitz, 2003: 191.

trade unions and social democratic parties are potentially productive of new subjects; however, precisely because it does not understand capital and accepts the logic of capital, social democracy is limited to the struggle for fairness (better slave rations) and backs away from the struggle to go beyond capital.⁷ This is a point made more fully in *Build it Now* under the heading, ‘The Failure of Social Democracy’:

Social democracy has always presented itself as proceeding from a logic in which the needs and potentialities of human beings take priority over the needs of capital.... If the capitalist sector is the only sector identified for accumulation, however, then in theory and practice the implication is self-evident: a “capital strike” is a crisis for the economy.... If you reject dependence upon capital, the logic of capital can be revealed clearly as contrary to the needs and interests of people. When capital goes on strike, there are two choices, *give in* or *move in*. Unfortunately, social democracy in practice has demonstrated that it is limited by the same things that limit Keynesianism in theory—the givens of the structure and distribution of ownership and the priority of self-interest by the owners. As a result, when capital has gone on strike, the social-democratic response has been to give in.... Rather than maintaining its focus on human needs and challenging the logic of capital, social democracy has proceeded to enforce that logic.⁸

Certainly, there is more to say about social democracy, including the basis for its tendency to demobilize workers after electoral victories (noted below). However, the crucial implication flowing from the theory (under #4 and #5 above) in *Beyond Capital*

⁷ This social democratic perspective was crystallized in the statement of the (New Democratic Party) Premier of British Columbia (Canada) in the early 1970s, ‘We can’t kill the goose that lays the golden eggs.’

⁸ Lebowitz, *Build it Now*, 2006, Ch. 2. ‘Ideology and Economic Development.’

should be clear: *as long as a political movement does not understand that capital is the result of exploitation and that capital is not necessary, it is doomed to reproduce 'the sorry history of social democracy'.*

7. *The character of the Workers' State.* What kind of a state can workers use to go beyond capital? In *Beyond Capital*, I argued that not only must the state be prepared 'to wrest, by degrees, all capital from the bourgeoisie' (which, of course, has as its premise the understanding of capital) but *also* that 'the form and the content of the workers' state are inseparable.' Only one conception of the character of the state flows from #1 and #3 above:

Once we begin from human beings as the subjects and understand that people produce themselves through their activity, it follows that only where the state as mediator for (and power over) workers gives way to the 'self-government of the producers' is there a continuous process whereby workers can change both circumstances and themselves....The workers' state brings the producers together in their 'self-working and self-governing' assemblies and councils and calls upon them to drive beyond every barrier that capital puts up to their own self-development.⁹

One reader pointed out, though, that when it comes to the concrete experience of trying to create a workers' state, that 'every working class party that has entered the state, whether by insurrection or election, has soon made it clear that it expected the working class to let the new government now do its thing rather than continue the class struggle

⁹ Lebowitz, 2003: 190, 195-6.

outside the state.’ I agree that this experience (part of the demobilising character of social democracy) cannot be ignored. Clearly, in such cases, there has *not* been a focus upon the self-development of the working class at all. Rather, it has been upon doing things *on behalf of the working class*--- i.e., of maintaining a state over and above workers.

But *why*? Has this occurred because the perspective of those working class parties has not been permeated by the focus upon human development and the recognition of the centrality of revolutionary practice? Or, is it the result of the conscious decision (despite understanding the importance of #1 and #3) to suspend progress on this front until a more propitious time?

I would argue that it is the first--- that the essential focus upon human development through revolutionary practice has *not* been at the core of these past attempts at going beyond capital; i.e., that the problem in these governments which came to power, first and foremost, has been a *theoretical* one related to the lack of further development of Marx’s political economy of the working class.¹⁰ They did not suspend what they did not think was important to begin with. Nevertheless, if the root is a theoretical silence, the institutions reinforced or newly created which prevent the self-development of the working class are a *real relation*--- one which nurtures the self-development of those who are always prepared to help the working class from making its own mistakes.¹¹

¹⁰ As indicated above, an interesting contrast can be found in the Bolivarian Constitution of Venezuela (which serves, wonderfully, as a constant reminder of the goals of the Bolivarian Revolution). For a discussion of the contradictions in that constitution and the attempts to make the revolutionary elements within it real (e.g., through the development of communal councils and worker management), see Chapter 7, ‘The Revolution of Radical Needs: Behind the Bolivarian Choice of a Socialist Path’ in Lebowitz, 2006 (op. cit.). On the communal councils and their link to the general process of political struggle, see Marta Harnecker, *Rebuilding the Left* (forthcoming from Zed Press).

¹¹ In one form, this can be seen in the demobilizing aspects of social democratic trade union leadership and governments; in another, in the crystallization of vanguard relations in state institutions. Cf., Lebowitz,

8. *Changing the concept of entitlement.* The critique of the political economy of capital demonstrates that the exploitation of workers is the source of capital. It thus demolishes the claim of capital as such to its ownership of the products of social labour. But, who is entitled to that 'objective wealth' which capital has usurped? Who may appropriately claim the right to subordinate 'communal, social productivity as their social wealth'?

Limited to the critique of the political economy of capital, one might infer that the exploited workers in the sphere of capitalist production are entitled to repossess that which has been taken from them (e.g., an argument for the factory workers, the producers of capital's wealth, getting their own back). Even within this perspective, however, this conception would be far too narrow: while only within the sphere of capitalist production do workers produce surplus value, capital requires for its existence not only that it be produced but also that it be realised. By this logic, not only the workers who produce capital directly but also those who ensure that latent surplus value is made real would be entitled to claim ownership of the wealth of capital. But, we are still here within the bounds of the critique of the political economy of capital.

Does anyone really think that the point of Marx's demonstration of the basis of capital was to argue for the entitlement of a subset of the collective worker? (With other workers, then, coming as supplicants to those of the 'productive sector'?) The political economy of the working class goes beyond the wage-labourers who function within the circuit of capital to all the limbs of the collective worker--- including those whose activities directly serve the worker's need for development but which the political economy of capital ignores. In the process of considering the articulation of those limbs

2003: 188-9, 220 and Lebowitz, 'Kornai and the Vanguard Mode of Production,' *Cambridge Journal of Economics* (Vol. 24, No. 3 (May, 2000)), respectively.

within a new society of associated producers, a new concept of entitlement emerges which transcends (supersedes) the fact of exploitation as such and incorporates within it that ‘inverse situation in which objective wealth is there to satisfy the worker’s own need for development.’

Following from #1 and #2 above, *all* parts of the collective worker, in short, are entitled to draw upon our ‘communal, social productivity’ to develop our potential to the fullest extent possible. Regardless, for example, of the luck of our birthplaces or our own past contributions, from the perspective of the political economy of the working class the accumulated fruits of social brain and hand belong to us all.¹² This is a concept of entitlement which explicitly rejects special privileges for particular workers based upon their activity; rather, it encourages solidarity--- solidarity between producers, e.g., in formal and informal sectors, between those of the North and those of the South.¹³ At its core is the idea of producing consciously for communal needs and purposes and thereby building a society in which the free development of all is the condition for the free development of each.¹⁴

9. *The subjects of revolutionary change.* Who can change the world? For some, industrial workers are the revolutionary subjects *par excellence*; and, thus, the suggestion that they

¹² Given how much of the ‘objective wealth’ that capital claims is, in fact, the result of past labour, to counter this claim with one based upon the exploitation of particular workers is to demand ‘elegant tombstones’. Cf., C.B. MacPherson, ‘Elegant Tombstones: a Note on Friedman’s Freedom,’ *Canadian Journal of Political Science* (March 1968).

¹³ It is not an accident that Marx viewed as a ‘defect’ and continuation of ‘bourgeois right’ the idea of equity based upon the demand for an equivalent for one’s labour. As I have discussed on a number of occasions, this conception has its roots in the private ownership of ‘the personal condition of production, of labour power’. Cf. Michael A. Lebowitz, ‘The Socialist Fetter: A Cautionary Tale,’ in Ralph Miliband and Leo Panitch, eds., *Socialist Register 1991* (London: Merlin, 1991); ‘El pueblo y la propiedad en la construcción del comunismo,’ *Marx Ahora: Revista Internacional* (Havana, No. 16, 2003); ‘Building Upon Defects: Theses on the Misinterpretation of Marx’s Gotha Critique,’ presented to 3rd International Conference on ‘Karl Marx and the Challenges of the 21st Century’ in Havana, 3-6 May 2006.

¹⁴ Clearly, such a society could only be international.

are not entitled to all they produce will be seen as a dangerous deviation, a theoretical abandonment of the working class. Do they not produce the wealth? Do they not have the power to stop the wheels from turning?

But, it is essential not to confuse entitlement with the ability to take an organisational lead in the struggle against capital. It is not because the industrial proletariat is entitled to the wealth of capital that makes them potentially revolutionary but, rather, that capital centralises and organises those workers, thereby facilitating the struggles that can produce them as revolutionary subjects for themselves. Precisely because trade unions were the vehicles for such struggles, Marx described them as vital ‘centres of organisation of the working class’. But, they were always more than organising centres--- in particular, they were first and foremost *centres of self-development* for the working class. That is why Marx stressed the way in which workers in wage struggles produce themselves as other than ‘apathetic, thoughtless, more or less well-fed instruments of production’ and make themselves fit to initiate a ‘larger movement’.¹⁵

Yet, as *Beyond Capital* argues, trade unions are not the only centre for organisation and self-development for workers.¹⁶ Every site where workers struggle collectively to satisfy their many-sided needs, needs which are unrealised because capital rules, is a centre of organisation and self-development. They are struggles of a class, heterogeneous in its particulars but universal in its dependence upon and immiseration by capital.¹⁷ Sometimes some of those centres will be more effective than others---

¹⁵ Lebowitz, 2003: 90-1, 96-7, 182-4.

¹⁶ The discussion here draws upon Lebowitz, 2003: 179-89. Indeed, the tendency to consider trade unions as the only organizing centre may itself reflect a particular conjuncture.

¹⁷ See the discussion of immiseration in Lebowitz, 2003: 40-3, 155-6, 164-7,

unevenness of development is inevitable, but they have in common that they build the human capacities that are an essential condition for going beyond capital.

Who are the revolutionary subjects? The producers who cannot satisfy their (many-sided) needs because capital owns the products of social labour and directs their use in order that capital can grow. Those limbs of the collective worker are revolutionary subjects in themselves because they are immiserated; they become revolutionary subjects for themselves by struggling against capital and grasping that there is an alternative to rule by capital.

Organisational Implications¹⁸

10. *The need for a political instrument to unite the collective worker.* Given the heterogeneity of the collective worker (and its various forms of immiseration) and capital's use of differences to divide the working class in order to defeat it, a political instrument is needed to mediate among the parts of the collective worker, provide the welcoming space where popular movements can learn from each other and develop the unity necessary to defeat capital.¹⁹ Illustrating this point concretely, *Build it Now* makes the following argument in relation to current developments in Venezuela:

¹⁸ Many of the points I present here are developed fully by Marta Harnecker in *Rebuilding the Left* (forthcoming from Zed Books) which draws upon her Spanish language books on 'the left on the threshold of the 21st century' and 'the left after Seattle' as well as several conference presentations.

¹⁹ This is not at all an argument to submerge 'secondary contradictions' in the interest of not dividing the working class. On the contrary, as I indicate in *Beyond Capital*, it is essential to recognise that struggles against patriarchy and racism (among other struggles which, 'viewed superficially, ... appear to hinder the struggle against capital') transform those engaged in them into new subjects. Lebowitz, 2003: 186-9.

Given the enemies of the Bolivarian Revolution (both those outside and inside it), a political instrument which can bring together those fighting for protagonistic democracy in the workplace and in the community is needed. One which can develop and articulate common demands like that of transparency (a necessary condition both for real democracy and for fighting corruption). One based not upon narrow groupings but upon all the popular organizations and representing the interests of the working class as a whole.

How else can the inherent contradictions among those who want the revolution to continue--- e.g., contradictions between the informal sector and the formal sector, between the exploited and the excluded, between workers and peasants, between cooperatives and state sectors--- be resolved except through democratic discussion, persuasion, and education that begins from the desire for unity in struggle? How else can you prevent contradictions among the people from becoming contradictions between the people and the enemy--- except by the creation of a party for the future of the Revolution (rather than its past)? A party from below which can continue the process of revolutionary democracy that is needed to build this new type of socialism.²⁰

11. *The need for an organised effort to communicate theory.* The theoretical needs of the collective worker as revolutionary subject are not immense. Much is learned in the very process of struggle, where the importance of solidarity and the identity of friends and enemies becomes clear. However, precisely because the understanding of (a) the nature

²⁰ Lebowitz, 2006: Chapter 7, 'The Revolution of Radical Needs: Behind the Bolivarian Choice of a Socialist Path'. See the discussion, too, of 'a body to coordinate all the different emancipatory social practices' in Harnecker, op. cit.

of capital and (b) the potential of a society of associated producers to foster human development can not emerge spontaneously from struggle, a systematic way of spreading this basic understanding into all portions of the collective worker provides it with an essential weapon for all of its struggles.

12. *The need for a party of a different type.* Nothing could be more contrary to a theory which stresses the self-development of the working class through revolutionary practice than a party which 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.²¹

On the contrary, once we focus upon the transformative effect of popular struggles, we understand that, rather than coming to grass-roots movements with pre-conceived plans, the point is to learn from them and to spread that understanding. ‘The political instrument’s role,’ Marta Harnecker stresses, ‘is to facilitate, not to supersede. We have to fight to eliminate any sign of verticalism which cancels out people’s initiative because popular participation is not something that can be decreed from above.’

Further, understanding the way in which hierarchical structures can sap the creative energy and enthusiasm of those committed to the struggle to put an end to capital points to the need to make the base of any party structure the space for initiatives. Rather than the insistence upon uniform forms of participation (e.g., in the workplace or community), the possibility of autonomous collectives and affinity groups organised according their interests. Rather than information and instructions passing vertically, the sharing and emulation of ideas and experiences horizontally. Rather than a single line of

²¹ See the discussion of the practice of Leninist parties in Latin America in Harnecker, *ibid.*.

march in this asymmetrical warfare against capital, guerrilla units functioning under a general line and understanding the need for unity in struggle for major battles--- how else to unleash creative energy and foster the revolutionary practice that can produce the people who can defeat capital?

We need, in short, to learn constantly from practice and not reify any particular set of experiences of the past. And, this is especially true when we talk about building socialism for the 21st Century. In the same way that Marx was prepared to change his own views in the light of the Paris Commune, we have to think about socialism now in the light of the experiences of the 20th Century:

We need to understand that socialism of the 21st Century cannot be a statist society where decisions are top-down and where all initiative is the property of state office-holders or cadres of self-reproducing vanguards. Precisely because socialism focuses upon human development, it stresses the need for a society which is democratic, participatory, and antagonistic. A society dominated by an all-powerful state does not produce the human beings who can create socialism.²²

²². Lebowitz, Chapter 5, 'Socialism Doesn't Drop from the Sky,' in *Build it Now: Socialism for the 21st Century*. Op. cit.