

Discussions with Wolff

"Will Climate Change Provoke a Widespread Revival of Socialism?"

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The following discussion prompts were written by Professor Wolff to create a discussion based around his piece "Will Climate Change Provoke a Widespread Revival of Socialism?" Please note, this article was written by Prof. Wolff on February 13, 2020. Keep the date in mind as it offers relevant historical context.

- 1. What was the critique of capitalism socialists traditionally agreed upon?
- 2. What are the two traditional kinds of socialism (social democracy and communism)?
- 3. Why is "statism" the reason contemporary socialists both appreciate but also criticize traditional socialisms?
- 4. What is the "new socialism" for the 21st century?



In the wake of Australian fire storms, global crop loss and catastrophic climate shifts, billions of people are recognizing the dangers to society and life itself presented by capitalism's profit-driven despoiling of nature. At the same time, the last 40 years of deepening inequality inside virtually all nations have undermined their social cohesion, and increasingly, capitalism's mechanisms are being blamed. Anti-capitalism is exploding across many political landscapes.

One broad socialist response to ecological crisis has produced a global eco-socialist movement and a rich set of eco-socialist writings. They rightly argue that a solution to the ecological crisis requires a transition from capitalism to socialism. Profit-driven capitalism is the problem that socialism can solve. Likewise, socialists argue, today's extreme economic inequalities flow from capitalism. Socialism's traditionally egalitarian focus on state redistributions of wealth and income has attracted mass interest and support.

Thus, will the twin crises of climate change and global economic inequality provoke a widespread revival of socialism? This depends on how socialists respond. To be effective, socialists' response requires questioning their own history and precepts. To be the 21st century's successful antidote to a crisis-ridden capitalism, the received socialist tradition can and must adjust. To win supporters for its solutions to the ecological and inequality crises, socialism must change itself, too.

Socialists must do this in the face of formidable opposition. As global crises intensify, we are also seeing the proliferation of nativism, fascism, and turns toward political strongmen. Right-wing scapegoating (especially of immigrants and other foreigners) is on the rise. Donald Trump and Boris Johnson in the U.S. and U.K. demonstrate that. So do recent sharp declines in the Greek, French, German, British, and other socialist parties. Both the declines in traditional socialist parties and the right-wing resurgences reflect, in part, profound problems with the inherited socialism of the 19th and 20th centuries. Its successes in making socialism a worldwide movement obscured its problems. We must now address and solve those problems to produce a socialism adequate to 21st century conditions.

The older socialism focused on the state and how it could offset private capitalism's social costs and wastes. A state based on universal suffrage could set minimum wages, use taxes to redistribute income and wealth, limit corporate profiteering, counteract business cycles, and so on. On all this most socialists agreed. They differed largely over whether the state should just regulate private capitalism — as in democratic socialism or social democracies —

or directly own and operate workplaces, as in communism or people's democracies. Others proposed mixtures of both.

However, all those early socialist experiments in transitions beyond private capitalism have now either reached certain limits — as in China, Cuba, western Europe and beyond — or disappeared (as in eastern Europe). Where socialism meant state regulation (as in Scandinavia, western Europe and the U.S. New Deal), private capitalism successfully evaded, weakened, or even repealed most regulations. It undid much of the New Deal and rolled back much of European social democracy. Socialists cannot win now if they keep advocating solutions for capitalism's predations that have already proved unsustainable and thus temporary.

Where socialist experiments meant state ownership and control of major parts of industry and agriculture (as in eastern Europe and China), concentrated state power became excessive, then dysfunctional, and finally socially unacceptable. Socialists cannot win without defining a socialism credibly organized to preclude such excessive state power.

The basic problem with the old socialisms was and remains an overdone focus on the state. We know now that private capitalists can often capture or subordinate socialist states that focus on regulating private capitalists. We also know now that "communist" states usually replicate rather than transform capitalism's workplace organization of employer vs. employee. What then replaces private capitalism is a state capitalism defined as socialism.

We must now acknowledge that the degree of state intervention in an economy does not define the difference between socialism and capitalism. Parallels with slavery and feudalism make this clear. Slave societies organized production of goods and services around the master-slave relation that characterized both private and state (owned and operated) slave enterprises. State regulations of slavery were common. Neither the extent of state regulation of private slavery nor the extent of state slavery demarcated slavery from a different system. The same argument applies to feudalism: State feudalism coexisting with private feudalism did not represent a social change beyond feudalism.

Capitalism's basic, defining relation is that between employer and employee. Private capitalist enterprises display employers and employees who are more or less regulated by states. When states — national, regional or local — in capitalist societies undertake productions of services and goods, they too organize them around the same employer/employee relation. Capitalism does not cease to exist if the state regulates private enterprises or public capitalist enterprises coexist with private capitalist enterprises. The proportions of private versus state capitalism are not pertinent to designating the system as capitalist any more than such proportions were pertinent to identifying economic systems as slave or feudal. Capitalisms simply differ in how they balance private and public capitalist enterprises.

Socialism can and should go far beyond state regulation of capitalist enterprises. It can and should be a critique of and an alternative to the employer-employee relation in both private and public capitalist enterprises. Across socialism's global spread in its first 150 years, the state became the key means to make the transition from capitalism to socialism via either

electoral struggle or revolution. But the state's role also changed fundamentally: From merely a means to transition, state economic intervention became an end in itself. It came to define socialism and its difference from capitalism. The resulting "socialisms" (modern social democracies and communisms) have exposed that definition's key problem.

In the current era, socialism must become less about state economic interventions and more about a new, non-capitalist relation among people engaged in production. Socialism must be understood as radically other than the employer/employee relationship (and its master/slave and lord/serf predecessors). Unlike them, it does not give a small ruling minority the lion's share of wealth and power.

Socialism should democratize the workplace. In factories, offices, or stores, each worker should have one vote in deciding what, how and where to produce, and what to do with the output. Socialism replaces capitalism if and when horizontally democratic worker co-operatives replace hierarchical, employer/employee production relations.

History has made working classes in both private and state capitalisms skeptical about those state capitalisms that are defined as socialism. Their benefits, while real, proved also to be insufficient relative to what socialism and socialists had promised. Those benefits were also insecure, and hence temporary. The shrinking legacies of the New Deal in the U.S. and of European social democracy are crucial examples. In the state capitalisms that defined themselves as communism and people's democracies, real economic growth came at the price of absent civil liberties and political freedoms as well as many of the ills of the employer/employee relation. So long as socialism identifies with one or the other kind of state capitalism, its political prospects will be far more limited than they should or need be.

A focus on achieving democracy in the workplace adjusts the meaning of socialism for the 21st century. For socialism to arrive, the internal structures of enterprises (public and private) must be changed from employer-employee to democratic worker co-ops. Popular action can and must make that happen; states can assist. Socialism can then refashion its focus on the state, viewing it as an institution that is inadequate and insufficient in itself. Its task instead is to facilitate a genuine social transition that includes and prioritizes democratizing workplaces.

Capitalism imposed ecological devastation on the working classes whom it excluded from the workplace decisions that caused that devastation. Worker co-ops democratize and thereby provide a structural antidote for what profit-driven capitalism did and does. Democratic majorities will stop profit-driven ecological damages dumped on them by decision-making minorities that escape to protected mansions. Likewise, worker co-ops democratize the distribution of income generated in and by enterprises. Democratic majorities will not allow the extreme inequality that distribution displays in modern capitalism.

The social possibilities of a worker co-op economy are already visible and measurable in the many well-established worker co-ops across the world today. Perhaps the most famous is the Mondragon Corporation and many of its constituent individual worker co-operatives. There is likewise the long record of the 40 percent of the economy in Italy's

Emilia-Romagna region or the rich record of success achieved by the Arizmendi Bakery chain in California's Bay Area. At the U.K.'s Leeds School of Business, Professor Virginie Perotin's research has repeatedly documented the superior efficiency of worker co-ops over comparable capitalistically organized enterprises. Worker co-ops are institutions with long histories. They are now catching hold as key resources for going beyond a capitalism that serves an ever-shrinking minority.

When workers democratize their workplaces, they collectively control the state — in numbers and economic power. That control can secure the social welfare gains they win. For example, in today's capitalism, powerful new social movements are pushing for higher minimum wages, for a Green New Deal, for Medicare for All, and so on. The original New Deal never included a democratization of the workplace. That proved to be its undoing as capitalists worked ceaselessly to evade, weaken and eventually repeal the gains achieved by the New Deal. Had a transition to worker co-ops been part of the New Deal, such a New Deal's gains would have included the structural change needed for them to persist.

Worker co-ops can operate as a structural bulwark against excessive state power. In such circumstances, the state becomes subservient to the goal of transition to a socialism grounded in democratically transformed workplaces. The future of socialism lies less in powerful states than in making sure that all important social decisions are made democratically: in our residential communities and likewise in our workplaces, politically and likewise economically. A socialist state would serve that objective and be governed by its democratic base in ways capitalism never imagined, let alone allowed. The fate of our species and the planet demands no less.