

MARC LINDER  
REIFICATION  
AND THE  
CONSCIOUSNESS  
OF  
THE CRITICS  
OF  
POLITICAL  
ECONOMY

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POLITICAL ECONOMY

STUDIES IN THE DEVELOPMENT OF  
MARX' THEORY OF VALUE

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REIFICATION AND THE CONSCIOUSNESS OF THE  
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## CHAPTER V

## CONCLUSIONS

## Ka-Meh on the Realization of the Great Order

Ka-Meh said to the workers: Beware of people who preach to you, you must realize the Great Order. Those are priests. They are reading once again in the stars something which you are supposed to do. Now you are there for the Great Disorder, then you are to be there for the Great Order. In reality, however, it's a matter of your ordering your own affairs; doing that, you create the Great Order. The bad experiences which you have had with the Great Disorder may guide you there and also some experiences of a pleasant sort which your kind has had in certain uprisings. But it will be good if you don't in thoughts furnish a dwelling right up to the last nail in your mind which you must then "realize." Rather reserve to yourselves as much as possible. One has a falling out more easily when planning than when executing and more occurs to one when executing than when planning. Be careful not to become the servants of ideals; otherwise you'll quickly become the servants of priests.<sup>1</sup>

Building on the detailed analysis of the text here we will try to relate some of our findings to more general tendencies which may serve as points of orientation for others analyzing contemporary developments in socialist societies.

We may begin by noting that in spite of what at times appeared to be rather abstract debates, the controversies in the Soviet Union and Cuba took their origin in the concrete struggles to construct a socialist economy. Looking at the Soviet Union, first, we may nevertheless establish that a certain kind of abstractness did in fact assert itself. By this we mean that many of the

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<sup>1</sup>Bertolt Brecht, Me-ti/Buch der Wendungen, Gesammelte Werke (Ffm., 1968), XII, 507.

theoretical writings of the 1920s remained utopian and/or unrealistic. This failing we detected most clearly in Bukharin's Economics of the Transition Period which proved to be incapable of offering a useful concrete analysis. Other works may be described as abstract in the sense that they were restricted to recounting how the relations of capitalism would disappear in communism without providing the concrete links to that process.

As an example of this latter phenomenon we may take the widespread views concerning the disappearance of the law of value and of the Critique of Political Economy in socialism. The abstractly correct adherence to this, Marx' (as well as Luxemburg's and Hilferding's) conception by certain Soviet economists in the 1920s revealed itself to be of ambiguous value during a period in which the real foundations for such a society could not yet be created. On the one hand, given the very necessity of a long period of transition to communism caused by the failure of revolution to take place in Western Europe, a definite need arose to preserve the critical Marxist tradition concerning the destruction of commodity-capitalist relations; this tradition could then serve as a permanent basis for structuring the long and detailed processes of building socialism. In other words, the tradition embodied certain theoretical insights which even in their negativity could serve as important guides to action.

By itself, on the other hand, abstracted from concrete application, this tradition could easily transform itself into doctrine. This danger would appear to be greatest precisely during such a period as this one in which the end goal (communist society) lies far in the future and the very realization of which depends on factors largely not in the control of the society (chiefly the possibility for revolution in the advanced capitalist countries). The ability to mediate this tradition with concrete developments during a long historical period requires an extremely

intensive coordination of theoretical and practical efforts; this campaign, as it were, may not, furthermore, be restricted to the intelligentsia. On the contrary--the conscious shaping of the relation between current possibilities and future goals must be appropriated by the masses of working people and be integrated into all aspects of their social reproduction.

Having grasped the ambiguous nature of these views, we are in a better position to evaluate recent Soviet views according to which the Hilferding-Luxemburg conception of the disappearance of the Critique of Political Economy was increasingly coming into conflict with the needs of the developing Soviet economy, with the socialist mode of production.<sup>2</sup> To the extent that the critical tradition was reduced to doctrine, the current Soviet judgment appears to carry with it considerable justification; for as an abstraction it was a subjective barrier to socialist construction.

But to say that it was per se beginning to interfere with the embryonic socialist mode of production already contains within itself an a posteriori judgment concerning the nature of socialism. As we pointed out in the "Introduction," this judgment reads back into that period a presently prevailing view concerning socialism

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<sup>2</sup>See V. Manevich, "Diskussia o predmete politicheskoy ekonomii (1925 g.)," EN, #5/1966, p. 87; L.D. Shirokorad, "K istorii voprosa o politicheskoy ekonomii v shirokom i uzkom smysle slova v sovetskoj ekonomicheskoy literature 20-kh godov," VLU, #11/1966, pp. 5-13; E. Bystritskaia, "K traktovke predmete politicheskoy ekonomii (o sovetskoj ekonomicheskoy literature 30-kh godov)," EN, #2/1971, pp. 52-58; L. Shirokorad, "O kharaktere protsessa formirovaniia politicheskoy ekonomii sotsializma kak nauka v SSSR v 30-kh godakh," VLU, #23/1964, pp. 127-31.

as a relatively autonomous mode of production.<sup>3</sup> Although this relatively autonomous mode of production did not exist at that time, one cannot deny that the subsequent development had roots in the 1920s. Rather, the problem with this view lies in its blurring the understanding of the leeway which consciousness can create with respect to intervention into the forcing of socialist development in one direction or another at one speed or another.<sup>4</sup> The point is that at a historical juncture the possibility exists to push events in a certain direction. This does not mean that communism can be created during feudalism; but rather that in accordance with the level of societal development already attained and with a particular theoretical conception of that development, the most favorable conditions for the "conscious reconstitution of human society" can be striven for.

It would appear then for the time being appropriate to try to understand each period of socialist development in this light rather than to coopt "correct" views and discard the "erroneous" ones in violation of "the principle of historicism."

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<sup>3</sup>See, e.g., Gerhard Schönfeld, "Zur Formierung der politischen Ökonomie des Sozialismus in den Jahren der Vorbereitung und Durchführung des ersten Fünfjahrplans zur Entwicklung der Volkswirtschaft der UdSSR (1928-1933)," Ww, XX/11 (November, 1972), 1618-41.

<sup>4</sup>This ability to intervene must not be confused with the controversy surrounding the issue of the objectivity vs. "elementality" of economic laws. See "Nekotorye voprosy...", op. cit., p. 65; N. Voznesenskiy, Voennaia ekonomika SSSR v period otchestvennoy voyny (M., 1948), p. 141; I.V. Stalin, Ekonomicheskie problemy sotsializma v SSSR, Sochineniia, ed. R. McNeal, III [XVI] (Stanford, 1967), 189ff.; I. Friss, "Political Economy of Socialism in the making," Tamas Földi (ed.), For the Progress of Marxist Economics (Budapest, 1967), p. 18.

As we saw in chapter 3, however, not all the works discussed were characterized by this type of "utopian" abstractness. In particular Lenin's analyses gave evidence of a strong sense of reality embedded in a general orientation toward realizing the goals of a socialist society as quickly as possible under the historical circumstances. Although Lenin did not construct any "grand theories" à la Bukharin or Preobrazhensky, for example--most of his writings and speeches were in response to day to day developments--it must not be forgotten that he was after all the author of NEP. And in fact our analysis of Lenin's conception of NEP indicated that it did embody a solid foundation for achieving the political, material, and consciousness-oriented goals under very untoward conditions.

The reader will recall that the evaluation of the concrete analyses by Varga and Kraitsman also stressed their much more fruitful approach as compared to (say) Bukharin's. Although there are no grounds for devising a general rule with respect to the validity and/or usefulness of concrete versus theoretical approaches, the lines do appear to be drawn with striking clarity. Not that all the concrete studies resulted in analytical advances--but rather that almost all theoretical studies failed to make the decisive contributions which they were intended to perform.

Several factors were at work here. First of all, it is to be doubted whether sufficient empirical data were available, or practical experience had been acquired, in order to create the sort of grand theories that began to proliferate in the latter half of the 1920s (not to mention the time Bukharin published his Ekonomika). Although this ought to be clear enough with respect to the creation of a theory of socialist development in general, or of the transition period in general, even a general theory of the Soviet economy appears to have been premature.

This element of time was conditioned by a series of contingent

circumstances which made it impossible to regard correctly the Soviet Union as a "classical case" which permitted of theoretical generalization. Aside from the fact that as the first successful socialist revolution the Soviet Union could base itself on no prior experience and was therefore thrown back entirely onto itself, developments were so rapid, uneven and largely out of the control of the revolution (civil war, destruction, lack of aid from other countries, imperialist blockade, necessity of arming, etc.) that it is almost impossible to speak of a predictable development.

These factors all lead back to the major methodological problem discussed in chapter 3: namely, that of working out the concept of a transition period while caught up in it. Such a contradiction might seem to lose its real basis in a socialist society since here planning assumes a scope qualitatively different from what was possible in previous social formations.<sup>5</sup> But here we are not dealing with a socialist society but rather with the transition to one under unforeseen circumstances.

Now these circumstances do not lead to the conclusion that theorizing or even "grand" theorizing is improper during such periods. On the contrary, as we have already pointed out, such an approach is necessary in order to maintain a perspective between present and future possibilities and goals.

The actual course of Soviet development exhibits, however, a marked departure from the proclivity toward grand theorizing characteristic of the 1920s. In particular the 1930s and 1940s brought forth an enormous number of articles dealing with various aspects of socialist construction and planning. One might indeed hypothesize that no Soviet theory had yet been worked out

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<sup>5</sup>See Kuczynski, Propheten der Wirtschaft, op. cit., chapters 7 and 8.

corresponding to the comprehensive economic planning of the period.

In large part the absence of attempts at general theories doubtless derived from the reaction to the results of such theorizing during the 1920s; and from the vantage point of our presentation, there was certainly much merit in acquiring more practical experience in building socialism before embarking on general theories. Important too in this process was the need to train as many economists as possible upon whose works a collective discussion could arise, for it would contradict the thrust of a socialist society to expect a theory generalizing the experience of the first modern planned society to be the product of an individual's passive contemplation.

Nevertheless, the failure of such a theory to emerge during the next decades definitely impeded the process of building socialism.

In order to gain a better understanding of the movement away from "theories of the Soviet economy" we may now take a closer critical look at what was probably upper-most in economists' minds as representative of the works of the 1920s: Preobrazhensky's New Economics. Preobrazhensky's theoretical approach does not suffer from the same sort of utopian abstractness which we saw in Bukharin's earlier work, for the book is based on a more careful empirical analysis of Soviet reality. Yet in the last analysis Preobrazhensky succeeded in creating but a peculiar mixture of concrete analysis and "logical" analysis of categories.

In the case of Preobrazhensky we can observe how even in a relatively critical Marxist the failure to grasp Marx' theory of value forms and of the real abstraction embodied in the concrete phenomena on the surface of commodity capitalist society can lead to an inability to analyze correctly the concrete phenomena in a transition period.

At the base of Preobrazhensky's methodology lies the understanding of the categories of political economy as "the logically pure, ideal description of the real relations of production..."<sup>6</sup> Similarly, earlier in the book, in recounting Marx' method, Preobrazhensky, resting heavily on the easily misleading programmatic statements made by Marx in the "Foreward" to the first edition of Capital, stresses the formal abstractness of Marx' method. Thus, first of all, Preobrazhensky distinguishes between Marx' "general sociological method" and the method of his political economy. On one level he sees a basic similarity between both methods: namely, "the method of historical materialism."<sup>7</sup> Applied to capitalism this requires "a concept of pure capitalism." At this point Preobrazhensky lets the specific methodology of political economy enter; for an "abstract-analytical" method is required to deal with a society in which essence and appearance do not coincide, in which personal relations are reified.<sup>8</sup> According to Preobrazhensky's interpretation:

In these circumstances it is only thanks to the discovery of the law of value as the central law of the commodity-capitalist system that one succeeds in grasping through "lawless chaos of phenomena" the regularity of the system as a whole and its working, and then in logically deducing from the operation of the law of value all the categories of political economy, as scientific descriptions of those real production-relations of capitalism which take shape spontaneously on the basis of the operation of this law in real life.<sup>9</sup>

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<sup>6</sup>Novaia ekonomika, op. cit., p. 165.

<sup>7</sup>Ibid., p. 51.

<sup>8</sup>Ibid., p. 52.

<sup>9</sup>Ibid., p. 54; cf. ibid., p. 166.

Although it may be correct to say that all the more concrete categories of capitalism are developed from the cellular relation of the commodity, Preobrazhensky's formulation suggests that Marx' method can be reduced to a logical doctrine of categories. In point of fact, a more accurate representation of Marx' method would be, as we pointed out in chapter 1, that the law of value exists or expresses itself in the elaboration of the concrete phenomena. By failing to grasp this, Preobrazhensky involved himself in a mechanistic explanation of the disappearance of the value categories in the Soviet economy.<sup>10</sup>

A good illustration of this approach by Preobrazhensky can be seen in his derivation of the disappearance of surplus value from the disappearance of value.<sup>11</sup> This appears to take place via logical operations: once the elementary category is lacking, the basis for the higher categories must disappear.

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<sup>10</sup>As we noted in chapter 3 above, Preobrazhensky was subject to a rather common Social Democratic misconception of the relation between monopoly capitalism and socialism which was in turn based on the violent counterposing of "competitive" and "monopoly" capitalism. In Preobrazhensky the latter results in an erroneous theory of the world market in the era of monopoly capitalism during which the law of value begins to die out together with competition. Ahistorically projecting the historically contingent world market domination in the nineteenth century by Great Britain onto post-World War I USA, Preobrazhensky inverts the real development which in fact was characterized by the breaking up of Britain's monopoly and the rise of intense competition among national capitals. The world market has continued to move in this direction by means of the internationalization of production and credit creation, etc., so that capital--the abstract concept of which presupposes the capitalization of the world--today more closely approximates its concept than in the nineteenth century. Cf. C. Neuss, B. Blanke, and E. Altvater, "Kapitalistischer Weltmarkt und Weltw#hrungskrise," PdK, #1 (November, 1971), pp. 20-22; Anti-Samuelson, op. cit., chs. 25-26, 33-35.

<sup>11</sup>See above chapter 3, sect. G2.

Now in one sense of course it is true that if there were no value production, there could be no surplus value production; but then from Preobrazhensky's point of view there would be no need to devote several sections to demonstrating these logical corollaries. The point is, however, that just as the categories are not to be "deduced" from the law of value, so too all the complicated concrete forms which value assumes--and a fortiori the process of the disappearance of these forms--must be examined.

In order to do this it would be necessary to have an understanding of the entire process of value production before the presentation of the simplest relations could be undertaken. In Preobrazhensky this possibility is limited by his pronounced tendency to identify mechanically non-value production relations with the state sector. Yet he puts forward very little evidence for this thesis: this is again rather a mechanical conclusion drawn from the assumption of societal ownership by the state.

This failing on Preobrazhensky's part became part of a long tradition in Soviet discussions of speaking about the state sector or socialized sector without specifying what this meant for the concrete relations of production. This led on the one hand to justified criticism by many Soviet economists of Preobrazhensky's "scholastic" manipulations of form and content. On the other hand it also made it easier for certain forces in a later period to ridicule the notion of the end of commodity production in socialism since there existed no solid theoretical tradition which had offered concrete proof of the contrary. Thus Preobrazhensky's weaknesses in effect served to consolidate the position of those who denied that commodity production is alien to the socialist mode of production.

On reflection we find that both positions share certain methodological defects. As we stressed in chapter 1, although labor in capitalist production acquires its form as abstract labor through the exchange process, this abstraction becomes rooted in the conditions of production themselves and assumes real objectivity. Marx explains this as follows:

The indifference towards the determinate labor corresponds to a form of society in which the individuals pass with ease from one labor into another and the determinate kind of labor is coincidental and hence indifferent to them. Labor here has become not only as category but in reality qua means of creating wealth altogether and has ceased qua determination existing as grown into the individuals in a particularity. Such a state is most developed in the most modern form of existence of bourgeois societies--the United States. It is only here then that the abstraction of the category "labor," "labor in general," labor sans phrase, the point of departure of modern economics, becomes practically true. Thus the simplest abstraction, which modern economics places at the top, and which expresses an age-old relation valid for all forms of society, appears practically true after all only in this abstraction as category of the most modern society.<sup>12</sup>

For Marx, the overcoming of abstract labor lay in the creation of a society in which labor was a priori social and concrete productive activities oriented toward satisfaction of needs were the sole aspect of labor. The problematic of the Soviet economy in the 1920s consisted in the fact that realization of these conditions would demand the efforts of generations; and in this context it was Preobrazhensky's great merit to have tried to conceptualize the peculiar problems confronting this historically unique transition period. But Preobrazhensky reasoned too schematically.

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<sup>12</sup>Gr., p. 25.

Thus if we adopt Preobrazhensky's standpoint--shared by many of those who oppose "monopoly capitalism" to "competitive capitalism" with respect to the modification of the law of value--we might examine the consequences of Hilferding's general cartel in which the whole of capitalist production is planned, pricing becomes nominal qua distribution of the total product among cartel magnates, money and value-objectivity disappear, etc. Hilferding then characterizes this as "the consciously regulated society in antagonistic form. But this antagonism is antagonism of distribution."<sup>13</sup> Or as Preobrazhensky says with respect to the tendencies in monopoly capitalism underscored by German "war socialism": "It showed quite clearly that the present-day economic system is objectively quite ripe for socialist planned production and that everything depends only on the coming of the master, that is, on the action of the working class."<sup>14</sup>

The question must be posed, however, whether in fact the scene is set for socialism by merely shifting the ruling class. Now according to Hilferding the only antagonism remains within the sphere of distribution. And this would appear to gain additional superficial credence from Marx' view that commodity production does not take place within a capitalist factory and from Lenin's conception of socialism as one big factory. Yet our understanding of the abstraction of labor as rooted in the process of production forces us to subject these conceptions to closer scrutiny.

Now it is obvious that Marx' characterization of the inside of a capitalist factory as non-commodity production was in no

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<sup>13</sup> Das Finanzkapital, op. cit., p. 332.

<sup>14</sup> Novaia ekonomika, op. cit., pp. 170f.

sense a recommendation of what a socialist society was to become. By this Marx merely meant that within a commodity producing society the relations of authority within a producing unit stand in inverse relation to those of the total society: in other words aggregate social anarchy and the despotism of the individual capitalist toward "his" workers are mutually conditioning.<sup>15</sup>

The overcoming of value production envisaged by Marx did not amount to the replacement of reified authority by personal authority. This would be the case in Hilferding's general cartel; in other words, exploitation would be stripped of its "veils" of equal exchange and wage labor would appear again as slavery.

Although there can be no doubt that no socialist ever put forward such a conception of socialism, it must be noted that this is also a (hypothetical) method of eliminating value relations. In order to specify the qualities distinguishing socialism from the general cartel it cannot suffice to say, as does Preobrazhensky, that "the working class cannot exploit itself."<sup>16</sup> Rather it becomes necessary to show how socialism must be constructed so that the concrete manifestations of abstract labor can be eliminated.<sup>17</sup>

In other words, if despite its title the purpose of Capital is to demonstrate the effects on living labor of each category

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<sup>15</sup> Kap., I, op. cit., pp. 377f; Das Elend der Philosophie, MEW, IV, 151. As Marx emphasizes (Kap., III, op. cit., p. 888), the authority of the capitalist--i.e., his personification of capital--is essentially different from that of slave owners or feudal lords inasmuch as their, the capitalists', authority appears as inherent in the physical conditions of production.

<sup>16</sup> Novaia ekonomika, op. cit., p. 208.

<sup>17</sup> Exploitation should not be confused with the fact that even in communism part of the annual product does not enter into the immediate consumption of the worker, but is used for the purposes of reserves, increasing production, taking care of the young, infirmed, aged, etc. See Kap., I, op. cit., p. 552; Kap., III, op. cit., p. 883; "Randglossen zum Programm der deutschen Arbeiterpartei," op. cit., pp. 18-20.

of the capitalist mode of production, then the Political Economy of Socialism, being both critical and positive, must incorporate into each level of its analysis an examination of the effects of similar or transformed relations in socialism and methods of creating relations which will not generate these effects.

In Preobrazhensky's case, the failure to grasp fully the decisive importance of Marx' theory--namely, that the real abstractions of capitalism are borne by the workers--is expressed in the following way: while Preobrazhensky is correct in stating that "the immanent laws of development and equilibrium of the system assert themselves through a mass of accidents and contrary tendencies,"<sup>18</sup> he neglects the fact that it is the working class as real human beings that must be the executors of and simultaneously withstand these contradictions. In capitalism this real abstraction can be exemplified with respect to "labor mobility." This involves the abstraction from the concrete content of labor activity by labor and capital. Without this abstraction from the concrete use values and use value creating labor, capitalism would not be capitalism. The abstraction as an objective one enforces a subjective abstraction upon the owner of the commodity labor power. (The subjective abstraction exists for the capitalist as well, but as a non-worker he "feels at home in his alienation.")

In order to offer a contemporary illustration of the contradiction between concrete and abstract labor we may look at a phenomenon which has not attracted much attention but which is all the more significant because it indicates that abstract labor is, on the basis of the internationalization of production, finding a foundation in production for the world market. In the following passage we observe the confirmation of Marx' insight by a Dutchman assigned the task of liaison with Turkish workers "imported" to the Netherlands:

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<sup>18</sup> Novaja ekonomika, op. cit., p. 52.

The foreign workers are recruited through Dutch Government offices in their home countries, after elaborate guarantees that their employment has been arranged and their basic welfare has been assured.

Nonetheless, said Mr. Aalders, "I've been to Turkey and watched how it's done.

"It's like a slave market," he said, "The company representative comes and says, 'I'll take that one and that fellow looks good, and that one over there.' We need them, and we're learning now that we haven't been treating them as people."

"We thought we were bringing in laborers. Now we see we were bringing in human beings."<sup>19</sup> (my underlining--M.L.)

In the Hilferdingian conception of the general cartel-- which, as we have seen, is not alien to the understanding of the

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<sup>19</sup>"Dutch Troubled by Hints of Bias In Fights With Turkish Workers," New York Times, 8 September 1972, p. 2. Cf. these remarks--to be sure concerning a somewhat earlier period--by one of the founders of modern bourgeois theories of international economics, Bertil Ohlin: "The immigrant's efforts to adapt himself to new conditions exercises an educating influence. Besides, the energetic spirit and dash, especially a characteristic of the United States, seize him. For these and other reasons the immigrant after a year or two often proves to be a more efficient worker than he was at home." (Interregional and International Trade [Cambridge, 1935], p. 368.) The abstractification of labor is compounded when, for example, US capital not only demands increased "mobility" from "its" workers, but also condemns the attempts of trade unions to resist "innovations" threatening job security; thus in a recent interview the chairman of the Price Commission, Grayson, said with respect to productivity: "On the union side we need more willingness to give on labor-saving machinery so that people can change their jobs and move to new ways of responding to them. In some cases, this will mean reduction of work force." (Business Week, 10 February 1973, p. 51.) In other words, part of the work force becomes unemployed, others are forced to work under greater intensification through the capitalist use of machinery, while others, their lives uprooted, may be "absorbed" by new and/or expanding branches of production if they are lucky enough to acquire a new labor power. See Vance Packard, A Nation of Strangers, (NY, 1972), for unintended confirmation of one aspect of the abstractification of labor.

tendentially automatic disappearance of the law of value in the development of "competitive capitalism" to "monopoly capitalism" to socialism among many Marxists-- , which locates all antagonisms solely in the sphere of distribution, all of the above-mentioned elements are neglected. Thus particularly today, with the ever increasing abstractification of labor, i.e., the ever increasing objective indifference of the capitalist mode of production toward concrete labor in the course of making labor an appendage to capital, and the accompanying subjective indifference on the part of the laborer toward "his 'job,'" it must be asked whether "the organization of the societal economy" is in fact being solved ever better by finance capital, whether in fact merely the new "masters" are needed. Rather it seems likely that in a society such as the United States a socialist revolution would be confronted with enormous subjective and objective problems deriving from its capitalist legacy--ones which could be dealt with only during a very long transition period encompassing several generations. In particular, one could well imagine that the intense demoralization/insecurity caused by massive unemployment as well as the point of production effects of the domination of dead over living labor would create serious barriers for the formation of the consciousness of labor as the first necessity of life.<sup>20</sup>

On the objective side: although it is true that machines are machines and only under certain social relations become capital, Marx was just as quick to point out that the steam engine is characteristic of capitalism.<sup>21</sup> In other words, the essential relations of production of a mode of production are also embodied

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<sup>20</sup>There has recently been a renaissance of interest in the "media" (Wall Street Journal, Business Week, Life, Plain Truth, etc.) in "blue collar blues" etc.; this very likely reflects a real intensification of labor necessitated by the unprecedented competition US capital has come under in recent years. For "official" recognition of the phenomenon see U.S. Congress, Senate, Committee on Labor and Public Welfare, Worker Alienation, 1972, 92nd Cong., 2d Sess.

<sup>21</sup>See Kap., I, op. cit., chap. 13.

in the objective conditions of production--in the immediate labor process. Thus a mass production assembly line "turning out" 110 automobiles per hour is not by coincidence the creation of capitalist production. In this sense it is incorrect to state that the forces of production are ripe and just waiting for socialism; especially given the development of capitalist technology and advanced Taylorism, the simple adoption of the received level of forces of production by a socialist society would involve it in severe internal contradictions.<sup>22</sup>

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<sup>22</sup>The following remarks are intended merely as an illustrative excursus, that is, we wish to touch on several of the points mentioned in the text concerning the creation of socialist conditions of labor as applied to present-day socialist societies. Thus whereas in capitalist circulation sphere ideology ("a true Eden of inborn human rights. What prevails here solely is Freedom, Equality, Property and Bentham." [Kap., I, op. cit., p. 189]) only the satisfaction of consumer needs is relevant, thus leading to "the deliberate exclusion [from national income] of the human cost of turning out the net product; i.e., such disadvantages as are concomitants of acquiring an income and cramp the recipients' (and others') style as a consumer" (Simon Kuznets, National Income [NY, 1946], p. 126), in socialism even the reproduction of the consumed means of production is regarded as contributing to the welfare of the direct producers: "...The replacement fund assumes specific significance because with the constant perfectioning of those use values which replace the used-up means of production, essential social needs are really satisfied; e.g., production is perfected, working conditions are improved, etc. Therewith important conditions are created in order to develop the process of production all-sidedly." (Politische Ökonomie des Sozialismus und ihre Anwendung in der DDR, op. cit., p. 535. Our underlining.) In this connection an interesting insight into Soviet views on the restructuring of the production process for the benefit and productivity of workers is afforded by I.S. Vassileva, Proizvodstvennaia estetika i effektivnost' truda (iz opyta promyshlennosti SSSR) (M., 1968); the notion of production esthetics is reminiscent of the artistic and even erotic feelings which workers exhibit toward machines in Soviet novels of the 1920s. See for example F. Gladkov, Tsement (M., 1964 [1925]).

Chief among the aspects of the objective conditions of labor and production are accidents, intensification, attitudes toward

Although the relatively low level of social development and the urgent need to carry out massive industrialization during

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labor, length of the working day, etc. We may mention a few here. With respect to the first-mentioned, job accident rates, the most reasonable comparison--taking into account levels of development--between capitalism and socialism would be that between the Federal Republic of Germany and the German Democratic Republic. An official West German Government report acknowledges that in 1968 on the job accidents in West German were more than twice as frequent as in the GDR (88.0 per 1000 workers vs. 41.2), locating the causes in the better functioning and more intensively controlled system of protective measures undertaken by the state and the labor unions in the GDR. (Bundesministerium für innerdeutsche Beziehungen, Bericht der Bundesregierung und Materialien zur Lage der Nation 1971, pp. 168f.) For comparative purposes: in the second half of 1971 the rate in the US amounted to 138 per 1000. (Wall Street Journal, 7 February 1973, p. 4.)

With respect to labor intensity no position appears to have gained supremacy in the Soviet Union. Thus one of the major textbooks of the mid-1960s states that although the relation between the length of the working day and the intensity of labor changes under socialism, "this does not mean, of course, that with the shortening of the working day the intensity of labor must not be increased, but it must grow as the capacity for effectiveness of labor power and the removal of the irrational losses of labor time complementing the process of the growth of the productivity of labor." (N.A. Tsagolov [ed.], Kurs politicheskoy ekonomii, op. cit., II, 335. Cf. the comment of an influential GDR economist in the mid-1950s: "From the timidity of speaking about the necessity of a high average intensity of labor in socialism results not only a part of the wage opportunism in our practice, but also the proclamation of such dubious principles as 'wage security,' 'norm security' etc." [Fritz Behrens, "Arbeitsproduktivität und Arbeitsintensität," Ww, IV/3 (1956), 394.].)

These remarks are made in the context of a discussion of Marx' analysis of the relation between the length of the working day and the intensity of labor; this analysis in turn deals with the place of machinery and large-scale industry in the production of relative surplus value. (Kap., I, op. cit., pp. 431ff.) Why in a developed socialist economy a shortened work day must in effect be bought at the expense of increasing intensity is not explained by the authors.

Several years later, on the other hand, we find a textbook on labor economics suggesting precisely the opposite--namely that

the late 1920s, 1930s and 1940s overwhelmed all other considerations, it is nevertheless significant that the crucial long run aspects

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since one of the goals of socialism is to increase workers' life expectancy, the total quantity of labor expended in a shorter work day must not only not increase but must decrease in comparison to that expended during a longer day; the authors base this on the fact that with the introduction of new technology and the acceleration of the productive processes, the quantity of labor expended during a given unit of time grows. (A.S. Kudriavtsev [ed.], Ekonomika truda [M., 1967], p. 60.)

As far as efforts oriented at limiting the realm of necessity are concerned, we may refer to a very instructive study done by the eminent Soviet economist G.S. Strumilin who compared the structure of a weekday for urban workers in the USSR in 1924 and 1959 (the transition to the seven hour workday was completed in 1960). By taking into consideration reproductive activities in the house as well as travel to and from work and shopping etc., Strumilin comes to the conclusion that, as a result of compensating shifts among various activities, the free time acquired during this thirty-five year period declined for men from 3.54 hours to 3.39 hours, while rising for women from 1.83 hours to 2.42 hours. (Problemy sotsializma i kommunizma v SSSR [M., 1961], p. 375.) In particular labor outside the factory, in the sphere of individual and family reproduction--especially work-related travel and shopping--rose. Strumilin comments that "it is no wonder that with the increased labor load for female workers there is not even sufficient time for the eight hour norm of sleep. And still less free time for them for the development of their talents and cultural avocations." (Ibid., p. 376. Cf. also the table, ibid., p. 378, indicating an increase of 30% in total annual free time for women but a slight drop for men.)

And finally as an indication of the relation of workers to their work we may adduce the results of a survey of several thousand young Soviet workers by Leningrad sociologists. Here follows a breakdown of their responses to the question as to which of these judgments expresses their opinion concerning the value of labor: 1) "that work is good where you can be of more use, where you are necessary" (617 people; 23.2%); 2) "it's impossible to forget about the wage, but the basic thing--the meaning of the work--is its social utility" (830 people; 31.1%); 3) "the wage is the main thing, but it is necessary to think also about the significance of the work" (819 people; 30.7%); 4) "any work is good if it is well-paid" (399 people; 15.0%). (V.G. Afanas'ev [ed.], Nachal'nyy kurs nauchnogo kommunizma [M., 1970], p. 57.) The authors recounting this study conclude that 85% of those interviewed

of transforming collective living labor into social pre-eminence did not find theoretical formulation even during the relatively "calm" period of the mid-1920s. We have tried to derive the methodological foundations of this theoretical and practical development for one of the more critical Soviet economists--Preobrazhensky. As we also pointed out, many later economists adopting a position on the "fate" of value relations in socialism differing from Preobrazhensky's shared many of his methodological views.

Since the economists of the 1920s were not able to provide a sound theoretical basis for their conception of socialist construction, it did not prove very difficult subsequently to criticize them. But rather than transcending Preobrazhensky's mechanistic approach, recourse was had by these authors to general and at times vague explanations of the survival of commodity production and of the law of value (level of forces of production; independence of producing units; two forms of property; differences

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in one way or another associated their labor with its social usefulness; this in turn they use as a demonstration of the unity of personality and society in socialism. (*Ibid.*) Of course, one could also interpret these figures from the other side; and from this vantage point one observes that ca. 45% of those interviewed placed sole or major emphasis on their individual compensation in a society in which the "typical features of personality" express solely social aspects. Indeed, that almost one-half of the respondents even volunteered such information in a society in which presumably a consciousness of solidarity has been elevated to something approaching a "popular prejudice," merits considerable attention. (For the extraordinarily instructive details of this sociological study see A.G. Zdravomyslov, V.P. Rozhin, V.A. Iadov [eds.], Chelovek i ego rabota [M., 1967]; now available in English translation under the title Man and His Work: A Sociological Study, trans. and ed. by Stephen P. Dunn [White Plains, 1971]. An in itself revealing review of this book by an author who has recently gained notoriety as a result of his sociological studies of "worker alienation" in the U.S. [Harold L. Sheppard] is to be found in Industrial and Labor Relations Review, XXV/3 [April, 1972], 450f.) In this context Max Horkheimer appears to have grasped the meaning of Marx' "realm of necessity" when he says that "in a socialist society joy will not result from the nature of the work to be done.... Rather the work is done gladly because it serves a solidary society." (Heinrich Regius, Dämmerung. Notizen in Deutschland [Zurich, 1934], p. 192.)

between types of labor, etc.). Or appeals were made to Soviet experience. (As we observed in the "Introduction," this latter approach is ambiguous since the practice which is being alluded to is in part at least the product of a conscious political choice and hence has the character of a self-fulfilling prophecy.) It is of course possible that Marx erred and that socialism is characterized by commodity production, etc.; but then this would entail certain changes in the conception of socialism which have not been forthcoming. Instead a tradition has arisen which acknowledges the existence of value relations while denying them their commodity-capitalist content.<sup>23</sup>

Yet all these positions fail to make the decisive step beyond Preobrazhensky--overcoming the abstract approach to the "doctrine" of categories and organizing a concrete study of Soviet development on the basis of a theory which has carefully reflected on the methodological differences between the Critique of Political Economy and the Political Economy of Socialism.<sup>24</sup>

Summary evaluations of the Cuban debates and of their implications for the future must by the nature of the subject

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<sup>23</sup> These positions do not posit the mere existence of forms as was often done in the 1920s; rather they attribute a new socialist content to these relations. For an early example see K. Ostrovitianov, "Sotsialisticheskoe planirovanie i zakon stoimosti," VE, #1/1948, pp. 24-41. Stalin's important series of articles from 1952 (Ekonomicheskie problemy sotsializma v SSSR, op. cit.) forms a transitional stage insofar as it foresees a struggle against commodity production, etc. while explaining its continued existence by the fact that the state sector is not yet all-comprehending with respect to the scope of production under its control.

<sup>24</sup> It must be stressed that various efforts in this direction are taking place in the Soviet Union and have been documented in the footnotes. There are signs that certain breakthroughs may emerge in the near future.

matter be much more circumscribed and tentative. Most obviously this limitation is grounded in the fact that we have almost a half-century of Soviet development at our disposal beyond the period under examination upon which we may base our hypotheses. Furthermore, we must confirm that the Cuban debates themselves, although notable for the manner in which they struck at central problems, never attained the broad and sustained level of the more disparate discussions in the Soviet Union.

Perhaps more so than in the Soviet Union, the debates in Cuba arose in response to a specific practical occasion--the controversy surrounding financial autonomy versus budgetary financing of production units. The debates were significant for their having crystallized out the significant aspects concealed by what appeared on the surface as a counterposing of differing "financial techniques."

The fact that relatively few participants emerged must be explained by the fact that the debates represented a public forum for discussing differences in strategy among the leading Cuban economic practitioners (planners and ministers); a further reason for the relatively circumscribed circle of participants must be seen in connection with the lack of a broad Marxist theoretical tradition in Cuba and hence of a relatively large group of Marxists well read in the historical development of the problems confronting Cuba. On the other hand, that the debates quickly became internationalized is a reflection of the particular importance of international solidarity for small nations working under unprecedented conditions.

The debates themselves ended rather abruptly--presumably because the practical question which gave rise to them had been settled for the time being. Although one must be cautious as a

result of the dearth of Cuban sources available in the United States, it appears that the theoretical discussions began to give way to more punctual articles dealing with the practical aspects of planning and organization of production in the wisest sense.<sup>25</sup> Without being able to draw any substantive conclusions, we may perhaps detect here a similarity to development in the Soviet Union during its period of rapid industrial growth beginning in the late 1920s; this is not to say any more than that broad theoretical questions seem to have receded into the background.

Given the relatively underdeveloped state of the forces of production in Cuba and the urgent cultural,<sup>26</sup> health and housing

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<sup>25</sup>See however Castro's espousal of the need for theorizing in his speech of 7 December 1970 reprinted in Granma, daily edition, 8 December 1970. Several important journals such as NIRE and CS have apparently ceased publication. In the winter of 1970 the Economic Institute of the University of Havana began publication of a major journal entitled Economía y Desarrollo which deals not only with Cuban economic questions, but also with capitalist economies. Its columns are open to foreign economists and often articles by eminent bourgeois economists are reprinted. On the accessibility of Cuban literature see Earl J. Parisea (ed.), International Conference on Cuban Acquisitions and Bibliography (Washington, D.C., 1970). Cf. Carmelo Mesa-Lago, Availability and Reliability of Statistics in Socialist Cuba, Latin American Studies Occasional Papers, No. 1 (January, 1970). For the impressions of an eminent bourgeois economist on Cuban economic education see Wassily Leontief, "The Trouble with Cuban Socialism," The New York Review of Books, XV/12 (7 January 1971), 19-23.

<sup>26</sup>For a glimpse of the deeply "humanistic" positions which those who have opposed the Cuban Revolution have been compelled to adopt see Lowry Nelson, Cuba: The Measure of a Revolution (Minneapolis, 1972), p. 187: "Assuredly few would question the desirability of universal literacy among citizens of modern societies. But one may question the advantage of reading skills to Cubans whose reading matter is completely censored."

problems to which the Revolution has given priority, comparatively little attention appears to have been devoted to the construction of non-capitalist working conditions.<sup>27</sup> At this time the main emphasis appears to lie in developing the consciousness of the directly social nature of labor in socialism. This aspect expresses itself most clearly in the campaign against loafing which was oriented at incorporating into the work force large numbers of those who had avoided productive activity (more than 100,000 people). In the discussion surrounding the promulgation of the law, Castro, for example, noted that with the disappearance of the inhuman factors which force wage-slaves to work under capitalism (fear of hunger, insecurity, sickness, etc.), the alternative becomes the maximum development of consciousness and the employment of coercive force by the workers' society against

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<sup>27</sup>Cf. the instructive remarks made by Guevara while Minister of Industries in 1961 in an interview; when asked how a worker could come to feel the work he does is his own, Guevara replied that "what we are trying to do is to assure that the worker gains an understanding of his responsibility at the factory and national level." When asked more specifically about how workers could be expected to "love" their work "whatever their level of understanding" in light of the "plain drudgery" and noise of a textile factory, Guevara answered: "That kind of problem is not possible to solve now. Visit the factories even [!] in the U.S. The Czechs have developed a water-driven shuttle that is much quieter than the present ones in our factories. It is very expensive, though, and we cannot afford it. So we cannot bring many in. And most important, our first task is to make jobs for the people." (Robert Scheer and Maurice Zeitlin, Cuba: an American Tragedy [rev. ed.; Hm., 1964], p. 345.) Cf. also Guevara's speech of 26 December 1963, "La norma, deber social del trabajador," reprinted in Granma, daily ed., 13 October 1970, p. 2. On the other hand one must keep in mind that the great emphasis which is placed on the mechanization of the sugar harvest in order to eliminate this very arduous labor.

those who live as parasites.<sup>28</sup> This campaign is directed at attitudes which were fostered during the rather decadent pre-revolutionary period and provided fertile soil for circulation sphere agents and "entrepreneurs" catering to North American proclivities to the dolce vita. But the problem is more general than this would indicate--as we noted above--and might well be an anticipation of the problems of work consciousness which would arise in a post-capitalist United States.

Moral appeals to the directly social nature of labor have of course their educative value; but unless labor is in fact tendentially becoming the objectively and subjectively societal process we outlined above, such appeals must lose their real foundation.

At present it appears that the major efforts at creating this real basis lie in the sphere of distribution/reproduction and industrial organization. The latter stresses a system of work norms oriented at increasing productivity.<sup>29</sup> The former continues

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<sup>28</sup>Speech of 2/3 September 1970, Granma, daily ed., 10 September 1970, p. 2; cf. also the text of the speech on the same days by the Minister of Labor, Jorge Risquet, ibid., 9 September 1970, pp. 4f. The text of the law was reprinted in Granma, weekly English ed., 28 March 1971; cf. also the editorial, ibid., 11 April 1971. Lowry Nelson, op. cit., p. 125, in discussing this campaign offers this inverted description of capitalist reality: "Capitalism has a builtin prophylactic against wide-spread vagrancy in the fact that workers are motivated by the prospect of 'getting ahead,' of making money and profits." A certain irony results here from the fact that at times some Cuban authors have tended to support the by now older "New Left" thesis concerning the "consumption compulsion" as a major block to revolution in capitalist countries. See, for example, Enrique Gonzalez Manet, "¿Que es la sociedad de consumo?", Granma, daily ed., 22 April 1969. This author subsequently wrote another article during the anti-loafing campaign which did recount the more repressive aspects of capitalist production relations; see "Educación, productividad, y motivaciones," ibid., 11 November 1970, p. 2.

<sup>29</sup>Cf., for example, Granma, daily ed., 16 September 1970, p. 5.

the peculiarly Cuban tradition of constructing socialism and communism parallel to each other. Thus at the 1971 May Day celebrations Castro reiterated that money was losing its characteristics as means of accumulation and of exchange, and as a measure of value and would be mainly a means of distribution. At the same time he cautioned: "If in the pursuit of communism we idealistically go farther ahead than is possible--and we should always try to move ahead as fast as possible---...we will have to retreat sooner or later."<sup>30</sup>

The central problem confronting Cuba is a particularly acute form of that which every socialist society has had to deal with--namely, how to reproduce the material content of capital accumulation while preventing the autonomization of the specific social-historical form under which capital accumulation took place; that is to say, given the fact that socialist revolutions did not occur in the most advanced capitalist countries, how do these socialist societies create the requisite development of the forces of production--which was the objective historical function of capital accumulation--without recreating the relations of production inherent in the capitalist mode of production.

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<sup>30</sup>Granma, weekly English ed., 16 May 1971, p. 7. According to Castro "prices have nothing to do with the articles' value but rather with their use value." More recently, on the other hand, it has been reported that an as yet "incompletely defined" price policy has been introduced with the end of raising the prices of certain luxury goods and entertainment as well as of introducing moderate payments for on the job meals. This allegedly means that "the Cuban government wants to begin giving money back its value"; the policy would also strengthen the degree of material incentives. "The fact that rents were not totally abolished for all housing in 1970 as had been expected" is viewed as an anticipation of this new policy. (Lionel Martin, "Cuba takes a hard look at problems," Guardian, 19 January 1972, p. 13.

Although Cuba faces a more favorable situation insofar as it is not involved in the same sort of isolated struggle for survival imposed upon the Soviet Union until the end of World War II, as a small country with a severely deformed economic structure inherited from imperialism, Cuba does not possess the objective possibilities for creating its own form of socialist construction characteristic of such potentially autarchic economies as the Soviet Union or China.<sup>31</sup> For Cuba is compelled to coordinate its economic development with that of other socialist countries. This is of course an enormous boon to Cuba;<sup>32</sup> but at the same time it inevitably involves a certain subjection to common goals which may impede certain internal transformations. This is particularly the case with Cuba, one-third of whose annual social product passes through international trade. In a qualitatively different social context one must view as much more serious the

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<sup>31</sup>This is perhaps too strong a statement in light of the development of the Democratic People's Republic of Korea. See Baik Bong, Kim Il Sung: Biography, III (Tokyo, 1970), pp. 17-59; and Kim Il Sung, Report on the Work of the Central Committee to the Fifth Congress of the Workers' Party of Korea (Pyongyang, 1970), pp. 6-18, 48-63. For an instructive capitalist interpretation of the internal structure of production relations in China see Robert Keatley, "In China, Self-Reliance Is Industry Watchword-- And It Seems to Work," Wall Street Journal, 2 July 1971, pp. 1, 21; and David C. Anderson, "China: The Power of Perspiration," ibid., 9 August 1971, p. 8. See also Barry M. Richman, Industrial Society in Communist China (NY, 1969).

<sup>32</sup>Cf. Castro's report on the most recent economic agreements with the Soviet Union. Speech of 3 January 1973 in Granma, weekly English edition, 14 January 1973, pp. 2f.

implications of Cuba's becoming intertwined in the capitalist world market.<sup>33</sup> For a significant involvement here would mediate to the internal structure of production in Cuba the compulsions of capitalist competition which could hardly be met without influencing the course of development in the direction of socialist conditions of labor.

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<sup>33</sup>In the late 1960s ca. 20-25% of Cuban foreign trade was conducted with capitalist countries. See C. Paul Roberts and Mukhtar Hamour, Cuba 1968, Supplement to the Statistical Abstract of Latin America (Los Angeles, 1970), pp. 172f. This is below the average of the European members of Comecon, approximately 40% of whose foreign trade was carried out with non-Comecon states in 1966. See O.I. Tarnovskiy and N.M. Mitrofanova, Stoimost' i tsena na mirovom sotsialisticheskom rynke (M., 1968), p. 52. These are several of the most important recent orthodox Marxist works on these world market relations: Josef Mervart, Význam a vývoj cen v mezinárodním obchodě (Prague, 1960); V. Chernianskiy, Ekonomika sotsialisticheskoy vneshney torgovli (M., 1963); T. Kishsh, Ekonomicheskoe sotrudinichestvo sotsialisticheskikh stran (M., 1963); O.T. Bogomolov, Teoriia i metodologiia mezhdunarodnogo sotsialisticheskogo razdeleniia truda (M., 1967).