

# **Anarchist Economics**

**An alternative for a world in crisis**

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## INTRODUCTION

Spain has a particular historic significance for the world anarchist movement. The extent and breadth of publications on the Spanish Civil War and the Revolution of 1936-9 is ever expanding. This is wholly understandable since that period of time represents one of the most fascinating of this century and one which is vital in the history of revolutions. That anarchists should have written extensively on this subject is equally understandable since for anarchists and syndicalists Spain and 1936 represented the most coherent and far-reaching change carried out in history under the influence and guiding light of anti-authoritarian and anti-statist ideology. Spain, to a large extent, has become the prime inspiration and vindication that anarchist ideals can indeed be put into practice through the revolutionary action of syndicalist unions. The Spanish experience, of two or three years' revolutionary society, where workers attempted to create a new life that was based on solidarity, mutual aid and freedom, overshadows other anarchist endeavours such as the anarchist-inspired slogans of the 1917 Russian revolution calling for 'the land to the peasants and the factories to the workers', the Factory Committee movement in Italy in 1920 or Kronstadt in 1921.

Nevertheless, despite the fact that Spain and 1936 have produced a wide range of debate and publications, little has been written on the economics of that revolution, in which hundreds of collectives were established by the revolutionary working class in city and country, acting on inspiration from the National Confederation of Labour (CNT), the syndicalist union.

The anarchists in Spain had maintained lively and complex debates on the future organisation of economic management of the society that was to rise from the ashes of the old. Eventually, and especially due to the strength of syndicalist ideas in Spain from the early 1900's onwards, the concept of the free municipality was espoused and approved at anarchist conferences, in great similarity to Bakunin's original ideas on economic organisation.

In this pamphlet, which has been written from texts taken from Chapters Three and Five of anarchist economist Abraham Guillen's 1988 book entitled *Economia Libertarian* (Fundacion de Estudios Libertarios, Bilbao), the author examines the adoption of these ideas and their approval at the 1936 CNT Congress prior to the July uprising which left half of Spain under fascist control. By analysing these ideas in general and by looking at some of the anarchist collectives created in 1936, he assesses the success of these experiments which constituted the lifestyle of thousands of people for up to three years, and draws conclusions on the day to day improvements that were produced.

Guillen illustrates that the collectives in Aragon, the North West of Spain, of which there were approximately 500, were able to organise a new economic and social order which was far more rational, egalitarian and democratically organised than the previous capitalist structures. The collectives were created in the aftermath of the failure of the fascist uprising on 17 July 1936 and their success was rapidly transmitted over the rest of Spain which Franco's nationalist forces had not managed to overrun.

Although apparently 'spontaneous', their establishment and organisation was as much due to the years of preparation that Spanish anarchists had undergone on an ideological and practical level. As well as being a tribute to the tenacity and clarity of these ideas in the anarchist movement, they can also be taken as yet another confirmation that anarchist ideas are often taken up by workers outside of the unions in times of upheaval and with the prospect of a more egalitarian society. The very fact that the anarchist ideology was the guiding light of this 1936 revolution

enabled the creation of one of the most, if not the most, extensive and profound revolutions ever seen. The immediacy of gains and change effected prove again that revolutionary workers and those not so revolutionary, can only carry out a revolutionary transformation of society when there is no all-embracing, all-dominating political party which will only stifle debate and action. The revolutionary landworkers and industrial proletariat knew what the defeat of the nationalist uprising meant and they did not wait for any directives to take over the farms and the factories.

This activity and conception of the revolutionary situation clearly contrasted with the role of the Spanish Communist Party which did its utmost to deprive the collectives of prestige and resources, claiming that the time was not ripe for revolution. The strict Marxists complained that the workers were not ready and that first it necessary that all the mechanistic stages towards 'socialism' had to be passed through. These words were of course uttered while workers were taking their destiny into their own hands, sidestepping the need for the revolutionary party.

Guillen illustrates the limitations of state socialism and Marxist-Leninism, which put the interest of the party and state before those they claim to represent. This pamphlet does not, however, provide an entirely laudatory account of the syndicalists' activity in the Spanish revolution. Guillen does not limit himself to recounting the positive side of the anarchist collectives. Towards the end of the chapter he discusses some of the mistakes made by the anarchists in their lack of appreciation of the problems thrown up in a revolutionary situation by the question of political power.

While he admits that syndicalists have always understood the necessity of the destruction of state power and its atomisation, he points out that the CNT had not fully considered the question since few alternative structures were created to replace the state and its political body. He points to the fact that although the CNT effectively held power on an economic and social level it ignored the question of political power and left the door open to counter-revolutionary elements which appropriated the state apparatus and used it against the free collective structure created by the revolutionary working class.

In order to remedy this tactical oversight, he proposes the creation of an atomised 'self-power' or structure of empowerment. This term 'auto-poder' has been translated throughout the text as 'social power', a term which the translators thought best expressed the ideas behind Guillen's original term. This 'power' is clearly different from the power of church, state or party. While the anarchists and syndicalists wish for the destruction of power, they at the same time do not wish to be power-less; in other words, they want the atomisation of power, its sharing, so that no-one has dominion over anyone else, but also so that all can maintain their freedom and the freedom of others. This is their ultimate goal and this short pamphlet is dedicated to that end.

The translators would like to thank the many people involved in the production of this pamphlet: the many members of the Direct Action Movement who have commented upon the text and especially to Manchester and Norwich DAM-IWA. Our hopes for the success of La Presa publications, the newly created Industrial Syndicalist Education League and the realisation of the objectives of the International Workers' Association go with this pamphlet.

*Richard Cleminson & Ron Marsden, July 1992.*

*Note: As this text was written in 1988, and since the USSR was still in existence, there are references to the Soviet Union in the present tense. The English translation reflects this.*

## **SPAIN 1936-1939: THE ECONOMY OF THE LIBERTARIAN COLLECTIVES**

### **SELF MANAGEMENT IN AGRICULTURE, INDUSTRY AND PUBLIC SERVICES**

Spanish anarcho-syndicalism from its inception had adopted an initial programme not only of wage demands, the right to work, improvements in conditions, but also the realisation of Libertarian Communism. Before 19 July 1936 the anarchists had proclaimed the anarchist Social Revolution in many places in Spain such as Casas Viejas, Alto Llobregat and Gijon, all of which were areas which had a large anarcho-syndicalist following. In all these villages or towns property registers were burned, money abolished and Libertarian Communism made reality.

In Spain, during the 1936-9 revolution, the libertarian collectives were in control of their own production and surplus, managed by their own committees of self-administration, where assemblies guaranteed direct democracy. Committees were named and delegates appointed for each sector, acting independently from the state in full freedom. No-one was obliged to remain in a libertarian collective. Any individual could leave when he or she wished to, whilst in the USSR, under Stalin, the peasants could not leave their kolkhoz and were bound to it like new serfs. But the most important aspect of the libertarian collectives of Spain is that they were not utopian, but very real, because they achieved with no authoritarian structures increased production and improved infrastructure. This was despite the fact that in many of them up to forty per cent of the labour force, the youngest sector, was mobilised to the Front, particularly in Aragon.

### **REVOLUTIONARY AIMS OF THE C.N.T.**

The concepts of libertarian collectives, factory committees, self-management, self-organisation of society without the oppressive and exploitative state, were all clearly worked out by the C.N.T. These matters had been treated in its immediate programme in the Saragossa Congress of May 1936.

For the Spanish anarcho-syndicalists the union was not an institutionalised entity like the social democratic or Christian democrat unions, but was seen as an insurrectionary tool which would bring about the social revolution and establish libertarian communism. On the organisation of the new society after the victory of the revolution, the first measures, according to the 1936 Congress, would be:

'Once the violent phase of the revolution is over, private property, the state, the principle of authority and therefore the classes that divide people into exploited and exploiters, into oppressed and oppressors, will be abolished.

'Once wealth is socialised, free producers' organisations will take over the direct administration of production and consumption.

'Once the libertarian commune is established in every locality, the new social mechanism will come into play. Producers in every trade or profession, together in their unions and workplaces, will freely determine the form in which this is to be organised.

'Once the libertarian commune is established, everything belonging to the bourgeoisie will be expropriated such as food, clothing, primary materials, tools, etc. These items should be passed over to the producers who can directly administer them for the benefit of the collective.'

This corresponds to the Bakuninist idea of a dual socialist federation. One part would be a self-administrative body to substitute the state and the other part would be the collective organised according to industry or service. The federal union of the two, organised from the base upwards, would constitute the Social (or National) Council of the Economy. This would destroy the class-based bourgeois or democratic state.

The Saragossa Congress had the following to say on the organisation of federalist libertarian socialism:

'The associations of industrial producers as well as the associations of agricultural producers will be federated nationally if Spain is the only country where the social transformation has taken place and if this is considered advantageous for the best possible development of the economy. In the same way, where relevant, services will federate according to the same principles in order to provide for the needs of the libertarian communes.'

'We believe that in time the new society will be able to provide each commune with all the agricultural and industrial requirements necessary for autonomy, in accordance with the biological principle that states that the most free person- in this case, the most free commune- is the one which least needs the others.'

We believe that our revolution should be organised on a purely egalitarian basis. The revolution cannot be won by mutual aid or solidarity alone. We must give to each human being what they require, the only limit being that imposed by the newly created economy.'

The Spanish libertarian collectives freely distributed among the collectivist landworkers that which was abundant but rationed that which was scarce, maintaining, even in scarcity, economic equality between all, without the glaring inequalities of bourgeois and bureaucratic society.

On the principles of exchange of produce in a libertarian society, the CNT stated how the exchange mechanism would operate:

'As we have already stated, our organisation is a federalist one which guarantees the freedom of the individual in the group and in the commune. It also guarantees the freedom of the federation in the confederation.'

'We start from the individual and proceed to the collective, so guaranteeing the individual's inviolable right to freedom.'

'The inhabitants of a commune will discuss the internal problems affecting them such as production, consumption, education, hygiene and everything necessary for its moral and economic development. When a problem affects a whole county or province the federation must come to a solution and in the meetings and assemblies that the federation has, all the communes must be represented. Their delegates will reflect the previously adopted decisions of the communes.'

In this way, direct democracy substitutes conventional, indirect, parliamentary, bourgeois or bureaucratic democracy and people are in charge of their own destinies, being able to exert their own social power in the political field and exercising self-management in the economic field. Thus federalism and socialism are united, something that has not taken place in the Marxist-Leninist Soviet Union where bureaucratic centralism and the ruling class of the state, through economic totalitarianism, have strangled peoples' freedom and direct participation. No-one there was free, apart from the supreme dictator, everyone else was a subject of the total state.

Until the working class controls agriculture, industry and the services, it will never be emancipated. If the state takes everything and controls the products of wage labour, an exploitative system develops where the state profits from the workers. Against this centralist principle of production by the state the Spanish anarcho-syndicalists in the Saragossa Congress stated the following:

'For the exchange of products between communes the Commune Councils will co-ordinate with the regional federations of communes and with the Confederal Council of Production and Consumption in order to determine what needs there are.

By means of the co-ordination established between the communes and the Council of Production and Statistics, the problem is simplified and resolved.

'In the commune itself, production cards will be issued to the members by the workshop and factory councils, thus allowing all members to cover their needs. The production card will be regulated by the following two principles: 1) that it is not transferable; 2) that a procedure is adopted by which the value of the work done by days is recorded on the card and that its period of validity does not exceed twelve months.

The Commune Councils will provide production cards to the non-active population'.

Thus, an integrated self-managed system of production and distribution was created. Here, the workers control goods and services and not the state.

## **EMPLOYMENT STRUCTURE**

Before the creation of the libertarian communes, landworkers' work was divided in a basic way according to sex and family. An underdeveloped or subsistence kind of agriculture was maintained since the families consumed most of their own production. When individual small properties were made into social property, work was divided up on a much more rational basis. The socialist libertarian revolution was the technological, economic and social means by which the old antiquated structures of the Spanish countryside could be altered. Mechanisation had not been introduced into this sector of the economy which accounted for 52 per cent of the active population. Productivity per worker was low per hectare since most work was carried out by mules and basic tools; it was rare to see a tractor or modern agricultural implements.

As individual wealth was made into common property, the resultant change in the socio-economic and legal structures altered the social division of labour in each family and in the whole of rural society. The libertarian collectivists did not fully realise the nature of the great revolution they were in fact carrying out, thus showing the world that the creation of libertarian communism is a problem of action and not one of excessive theorisation of the armchair intellectual socialists or the bureaucratic communist leaders.

In Jativa, for example, the conversion of private property into social property, directly managed by the working class and not imposed by state managers, created a revolutionary change in the division of labour, integrating all branches of production and social and public services of the town which had 17,000 inhabitants in 1936. Approximately 3,000 were CNT members. This shows that a well-educated active minority can inspire the majority to make revolutionary economic, social and political change.

When the libertarian collective of Jativa was created on 16 January 1937 the rules drawn up and agreed upon by the landworkers were far more socialist than any socialism conceived

by intellectuals. For example, Article 10 of the agreement organised work and different crops into the following sections statistics, fertilisers, seeds and new crops, irrigation, fumigation and crop disease, co-operative stores, livestock, poultry and bees, tools and machinery, canning and conserves, wages, pasture land, transport of produce and sales, organisation of production and technical management of distribution and organisation of labour.

All this was carried out by means of special sections and commissions where workers directly participated, without delegating work to others but by doing it every hour and every day by themselves. Thus practical and versatile self-management was implemented.

The Jativa collective, according to Article 11, elected a President, Secretary and Treasurer in a sovereign assembly. In addition, a spokesperson was elected for each section or commission. All these posts were elected and recallable as and when the members wished. Besides, the members of the commissions did not become bureaucrats; they had to perform the same work as any other member, except when occupied with their tasks on the commissions.

In addition to this division according to agricultural and livestock production, the Jativa collective also involved many local artisans, whose integration supposed a more total organisation of labour in the area. Self-management was achieved not only at factory level but in the whole town, something which is unique since nothing similar exists in the USSR or the rest of the East.

The great merit of the Jativa collective is that in a voluntary fashion, with no coercion, the owner of an olive oil factory, who was an important member of the local bourgeoisie, became a member of the collective with his family and gave the collective all his wealth. One of his sons, also very privileged under the old system, handed over all his money along with his wife's. Finally, the Secretary of the collective, of bourgeois origin, also gave all his money and property to the collective. This shows that libertarian communism is a progressive system because it embraces a social morality which is in accordance to the general interest and enables direct democracy, self-management, freedom and dignity of the human being to be lived to the full.

The Jativa collective model was to be found more or less extensively throughout Aragon, Valencia, Murcia, Castille and even in the Basque Country where the government was more bourgeois than revolutionary, and in which the anarchists had refused to participate. In Asturias, Catalonia and parts of the Basque Country, in the industrial areas workers' self-management took place in the form of joint UGT(socialist union) -CNT Committees.

Let us now examine exactly how collectivisation took place by taking an example. Graus, a small town of 2,600 people in 1936, was to witness a notable experiment in libertarian socialism from 16 October 1936 onwards. Here, socialisation was more total than it had been in Jativa, as it affected not only the land but also commerce, transport, printing, shoe manufacturing, bakeries, pharmacies, locksmiths and blacksmiths, wheelwrights, carpenters and cabinet makers.

The Graus collective self-managed ninety per cent of the agricultural and craft industry production as well as the service sector. The Self-Management Commission had eight members. Six were responsible for the following sectors: culture and health (theatre, schools, sports, medicines and doctors); work and accounts (personnel, wages, cafes, inns, accounts and supplies); trade, coal, fertilisers, warehouses; agriculture (crops, irrigation, farms, cattle); industry (factories, workshops, electricity, water, construction); transport and communication (lorries, carts, taxis, post, garages).

Here we have a magnificent example of local government or, more accurately, self-management, in action. In Graus people lived from agricultural, industrial and craft industry production and from the collectivised services. To some extent, Graus was a commune as

Bakunin had understood it, as popular self-government replacing the parasitical oppressive state.

This social division of labour into agricultural, industrial and service sectors, was self-managed in the following way: each workshop designated, through its assembly, a representative to participate in the Industrial Secretariat. Therefore, each industrial sector's accounts would appear in the Collective's register. The following sectors appeared: drinking water, oil, saw mills, chocolate production, sausages, alcoholic beverages, electricity, iron forging, inns and cafes, printing, lamp manufacturing, construction materials, sewing machines, sock manufacturing, gypsum mining, bakeries, tailors, chair makers, weavers, bicycle workshops, leather products, and other sectors.

The most important thing here, rather than describe the process, which has been done extensively elsewhere, is to evaluate the libertarian socialist experiment in Graus, whose structure was more or less applied to the whole of anarchist Aragon. As we evaluate this notable experiment, which at first sight may have appeared utopian, we can see that in terms of objective economics, it represents the most real attempt at socialism, uniting the primary, secondary and tertiary sectors, unlike under capitalism where they are all unintegrated. Therefore an integrated economy was created with a rational division of labour as each sector was inter-dependent on the others. A self-managed system was thus formed, where goods, products and services were exchanged according to their real work-value relationship.

For the first time, an economy providing full employment was created. This was achieved not through technocratic or bourgeois financial juggling but through concrete self-management and socialisation of the means of production and exchange. Employment was guaranteed by libertarian socialism since labour circulated freely in all sectors of the Graus collective.

On another level, the fact that the production of primary products (livestock, fishing, mining, agriculture, forests) had been integrated into the processing, transport and distribution of these products means that both national and international capitalism can be effectively challenged. This is because production can take place with ever-decreasing costs which is something that capitalism, divided into banking, trading and industrial sectors, cannot do. In the economic field, full employment in the Graus collective was possible, with decreasing production costs and increasing consumption. Libertarian socialism, therefore, does not suffer the cyclical economic crises of capitalism, or the crises of over-production in bureaucratic socialism. This provides the possibility for harmonious development among the various economic sectors, which are all integrated into the overall Economic Council formed by the federations of production and services.

Over fifty per cent of Spain's active population was employed in agriculture in 1936. If extensive mechanisation of agriculture had taken place at that time, how could the rural population have been fully employed? If every agricultural worker, instead of producing food for his own family and a little more for the national market in order to exchange necessary goods and services, could produce food for a hundred people with mechanisation, this apparently difficult question would be solved in an anarchist economy for the following reasons:

- fewer agricultural workers would be involved in agricultural production but more would be produced. This would not create unemployment since all those not involved in one sector would pass on to another.
- the greater the productivity in agricultural work, industry and services, the fewer the work hours would have to be, so full employment could be maintained.

In libertarian socialism, as work would be a right and a duty for all, there would always be some work for everyone. We could improve nature with work and care and not destroy it as is done under capitalism, which does not care about polluting the rivers, seas, land and the air as long as some capitalists gain competitive advantage over some others. Indeed, only libertarian socialism will free people from the chains of the capitalists, from exploitation and domination by the western bourgeoisie and the eastern bureaucracies.

## **ACTIVE PARTICIPATION AND MEMBERSHIP**

In the areas of Spain where the libertarian movement had a majority following, such as in Aragon and Catalonia, collectivisation of land and self-management of industry and services were the principal methods employed. Capitalism was substituted by libertarian socialism.

However, everything that the workers had done from below, replacing the capitalist regime with libertarian socialism, was opposed by the state from above. The state tried to block and oppose libertarian socialism by isolating the banking and credit and cash-flow systems so as to impede the importation of essential goods to the self-managed society created by the anarchists. Their prime mistake had been that of not creating a national structure of social power opposed to state power to substitute the old exploitative and oppressive state, in which the petit bourgeois, pro-Soviet socialists and Stalinist communists became firmly entrenched. Libertarian socialism was not a new economic, social, political, judicial, cultural and communications system on a national scale. As a result many libertarian collectives were destroyed by the soldiers of the communist commander Enrique Lister as they entered Aragon in July 1937.

If libertarian socialism does not 'go all the way' as Garcia Oliver said, if it allows the bourgeois state to co-exist above it in addition to the superstructure of capitalism, victory will never be final but always transitory. The old regime may return whenever the state wishes to unleash the bourgeois or bureaucratic counter-revolution. This was exactly what the pro-Soviet Union socialists and communists, bourgeois republicans and the Basque democratic Christians did when the 'revolution within the revolution' broke out in May 1937.

Libertarian socialism cannot go half way, creating self-management from July 1936 in Aragon, Catalonia and Valencia, and allow state power to re-establish itself over the rest of revolutionary Spain. In addition, if this move to create self-management is not taken immediately, so as not to create antagonism in the Popular Anti-Fascist Front, it can be taken gradually, by creating a basic insurrectionary guerilla force where the CNT had a large following, such as in Andalusia. If two guerilla fronts had been created little by little, one in front of the Francoist forces and the other behind the Francoist forces in the Nationalist Zone, the war and the social revolution would have been won simultaneously. Only this revolutionary strategic plan could allow libertarian workers' control to replace the reactionary state, the liberal bourgeoisie and the ideologies of reformist socialism and bureaucratic communism.

In any case, the Spanish anarcho-syndicalists, who did not dominate everywhere, revolutionised the regions where they had a mass following and showed the world that workers, freed from bosses and professional politicians, could carry out the revolutionary transformation of society. A revolution not of the communist bureaucrats or reformist socialists, where everything seems to change but where everything in fact stays the same as the bourgeoisie, is replaced by a communist bureaucracy and the bourgeois state by the bureaucratic communist state.

Despite their limitations, the Spanish anarcho-syndicalists established libertarian collectives where the means of production and exchange were socialised, through direct management by the workers and not through imposition by the state. Economic surplus was also self-managed. Also, and once again in contrast to the USSR, the workers of the collectives were rewarded equally, without productivity falling or initiative lacking. The bourgeoisie and the bureaucracy believe that if there is not a large wage differential, initiative and interest in increasing production will be lost. This idea was shown to be false in the Spanish libertarian collectives, where solidarity between the collectivists made self-government function satisfactorily.

In this system all the products of labour are enjoyed by those who produce them. But the Spanish collectivists were not irrational consumers. They invested more capital in economic and technological development than the old regime and did not merely reinforce the old function of capital but achieved greater productivity per worker. This is the only way in which progress is achieved, that is, in which people can live better now and in the future than they can in the past.

## **EQUAL DISTRIBUTION ON A COLLECTIVE BASIS**

Marxist-Leninism, with its socialist ideology and neo-capitalist economics, with statist means of production, has emphasised the nationalisation of production, but not its socialist distribution. Therefore, if socialism is limited to the 'socialisation' or nationalisation of the means of production but maintains residual and inequalitarian capitalism, it will just be another form of capitalism. Soviet socialism has been discredited as the army generals, the academics, the bureaucrats and the few members of the 'Nomenklatura' consume much more than an unqualified worker in industry or agriculture. As a result, without any egalitarian economic ethic, there can be no socialist distribution of social wealth, even though there exists an apparent socialist order at the points of production.

Some have argued that if there was economic equality, that is if everyone was paid the same wage, it would detract from the personal interest to produce more. It is also stated that the more economic equality there is, the lower the social accumulation of capital will be. All this is part of the economic ideology of the Western bourgeoisie or the Eastern bureaucracy. The more equality there is between people, for this fact alone, that which was not consumed by the privileged classes would be saved and accumulated. This was demonstrated in the Spanish libertarian collectives where consumption was equal and where investment improved the agricultural infrastructure, expanded the area of land under cultivation, created public services, improved education and developed other sectors of the economy.

In Aragon, a real, not utopian form of libertarian socialism was realised. The model of distribution of wealth was not identical but, in general, it was based on the family wage, usually paid in coupons and purchasing power was in harmony with the new economy. Even though the local currency was stable it was not legal in the whole country and therefore the libertarian collectives used national currency for trips outside the local area. This was done so as not to limit a person's economic or physical freedom if he or she wanted to travel or live elsewhere.

As regards the 'provisions card', the libertarian collective of Alcorisa created a family consumption card, which was practically equivalent to a credit card and which ordered consumer items according to a points system. If meat was given a 100 point value and the consumer did not want meat then he or she was given another product of equal value. In such a way the law of

exchange and value was complied within the libertarian economy. The consumer had a great deal of freedom as regards the products on the market. And if local products could not satisfy the consumer, the collective, through its council or appropriate section, obtained, on an equal exchange basis, the goods and services needed. Thus a system of economic federalism was practised by the Aragonese Regional Federation of Collectives.

If the Spanish revolution had triumphed, the libertarian socialist model of the collectives would have been shown to have been far superior in the accumulation of social capital, in productive investment, in rational use of resources and in regional, national and international trade than the Soviet system which cannot feed its own population after seven decades of Marxist-Leninism without huge grain imports from the EC and USA.

The fact that the libertarian collectives accumulated a great deal of social capital is due to positive economic management and the use of the coupon or supplies card, which satisfied the needs of families, and which left the local collective or regional federation the task of administering production, distribution, exchange and consumption. If no-one can accumulate capital in order to exploit anyone else, all the economic surplus of the collective would be rationally and equally channelled into creating reserves for a bad year, or to create more capital for investment and to create better production techniques with improved machinery. Production would therefore increase as the amount of time needed to be spent working would decrease. There would therefore be full employment and manual work would be transformed into qualified, technical, scientific work of a very high level.

However, in order to achieve this high level of economic, cultural, scientific and technical progress it is necessary that a libertarian spirit prevails and that there is an economic ethic of rational and frugal consumption. The waste produced by the bourgeois 'consumer society' is harmful to the planet and upsets the ecosystem.

It is clear that production and technology have advanced sufficiently for the creation of a libertarian economy, but we are bound hand and foot by the reactionary states of East and West. Only libertarian socialism, which guarantees freedom and equality, pluralism of ideas, without the professional political parties of the West or the single party states of the East, can allow humanity to organise itself according to its own needs. Libertarian communism can free us from war, tyranny, hunger, ignorance and other evils inherent not to the human condition but to the anachronistic socio-economic system based on the exploitation of one person by another, on the domination of one nation by another, on capitalism, hegemony and imperialism.

## **SELF-MANAGEMENT IN SERVICES AND INDUSTRY**

The larger a town, the harder it is to integrate the economy. Trade and money have a greater role for the simple reason that everyone does not belong to the same unit, as was the case of the collectives in the country side. The town is the creation of the bourgeoisie, related to the development of capitalism, and it is where trade, money, salaries and profits support bourgeois economic activity. However, the Spanish anarchists were capable of self-managing most of the industrial and services sectors in large cities such as Barcelona, but it was not as easy as it was in Aragon to abolish money and replace it with the coupon or rationing card.

In towns of a few thousand inhabitants and in the country, agriculture, industry and services were integrated into one multifarious unit with specialised sections which, by means of elected and recallable delegates, formed part of the local and county organisations of self-government.

For example, the town of Villajoyosa had achieved self-management on a county level which brought about a new type of direct democracy, through self-government, so substituting the old state and the Roman municipality<sup>7</sup>. In Villajoyosa, not only was the land collectivised but the libertarian collective was extended to take in a textile factory where 400 people worked and also the fishing industry from which 4,000 people made their livelihood.

In Calonda, besides the collectivisation of the land, stone masons, carpenters, blacksmiths, seamstresses, tailors, barbers and others entered the collective. Since their natural and most important market was Calonda and the surrounding area, and since these were all collectivised, the above groups voluntarily joined the agricultural workers in the collective. This organ of self-government, in the form of social power, had been created by the revolution and was more concrete than the Soviets of the workers or sailors which were not capable of abolishing the state. The latter accepted the indirect democracy of a bureaucratic communist party instead of exercising direct democracy themselves, as was the practice in the libertarian collectives.

One of the greatest achievements of libertarian self-government was the direct self-management of a town of 45,000 inhabitants such as Alcoy, where industry and services were collectivised, in Alcoy in 1936 the working population was 20,000 of which 17,000 were members of the CNT. They were the active revolutionaries in the economic, social and political change effected and they did not wait for the government to do everything, as the Marxists wish so that the government keeps everything and everyone, as occurred in the USSR.

In Alcoy there were 16 CNT unions in the Local Federation before 16 July 1936. This union power which was not institutionalised but active and revolutionary, did not struggle for higher wages alone as the reformist unions do, but instead for the creation of libertarian communism. It was a unique union force; Marxist unionism had become a cog in the petit bourgeois socialist part<sup>7</sup> or bureaucratic communist party machine, which used unionism as an instrument of the revolution-talking politicians who in reality merely prop up reformism.

The unions in Alcoy, as in every locality where the CNT was a major all over Spain where the CNT was a major force, did not wait for the government to nationalise the factories but socialised them themselves instead, not as state property but social property. As an example of this socialisation, the Alcoy unions proceeded immediately to self-manage the following industries: printing; paper and cardboard; construction, including architects and surveyors; hygiene and health, including medicines, pharmacies, barbers, launderettes and sweepers; transport, including buses, taxis and lorries; entertainment, including theatres and cinemas; the chemical industry, soaps, laboratories, perfumes; leather, skins and shoes; traders and salesmen; industrial technicians; primary and secondary teachers; artists; writers; clothing; the whole textile industry, of vital importance in Alcoy; wood and furniture; the liberal professions; and agriculture and horticulture. Alcoy was, therefore, a model self-managed town, self-governed by its direct producers, without professional politicians, bureaucracies or bourgeoisie.

Due to the socialisation of the means of production and the services, the law of the social division of labour achieved a balance that the previous system of production never had, since if there were too many workers in one sector or in one firm, they would pass over to another sector and full employment would be maintained. In this way, libertarian socialism was much more objective and scientific than capitalism or administrative socialism where there is a large

discrepancy between the productive workers and the techno-bureaucracy entrenched in the state apparatus.

Capitalism, with all its contradictions, which stem from the means of production being held in private hands, is very much inferior to libertarian collectivism in industry, services and agriculture. Libertarian communism found a solution, without much mathematical and technical theorisation, for unemployment, cyclical economic crises, strikes as a result of the conflict between workers and capitalists, persecution and ignorance. Libertarian communism provided education and thus eliminated the need for emigration. The workers themselves self-managed things in the political, economic, social, technical and financial fields. This is the great merit of the CNT in the 33 months of the Spanish revolution. It was a revolution made not by the communists and socialists who defended the old regime and state, but by the anarchists who substituted the state in the countryside and cities by collectives and self-management.

The direct self-management of the Alcoy economy provided an excellent example of self-government. The three branches of the textile industry elected a delegate to the Works Committee as did the office personnel and the warehouse staff. A Control Committee was named by the union committee. Also a Technical Commission was created which was formed by technicians from the five different specialities of manufacturing, administration, buying and selling and insurance. In turn, the self-administration section was divided into three sub-sections: general manufacturing processes, technical organisation and machine maintainance, production control and statistics. All this, as a federative form of self-government, provided work for more than 20,000 workers, corresponding to 103 firms of varying textile specialities, including other small firms and the agricultural sector. This did away with the contradiction of egotistical capitalism which monopolised capital and reduced work to slavery; Libertarian socialism, in Alcoy and other parts of Spain, liberated workers from wage slavery and transformed them into collectivists thus eliminating the proletariat, which remains under Marxist-Leninism in the pay of the state rulers, producing profits for the communist bureaucracy and state capitalists.

The marvellous experiment of self-management in Alcoy, however, did have one defect. The financial and political power above was not libertarian social power, and for this reason, in the end, the state, which existed above the workers, tried to return them to their original wage slavery; Therefore, in the future, a social revolution should not remain at a local or regional level and must reach the national level. One of the great mistakes of the CNT during the Spanish revolution was to collectivise the land, services and firms below, but leave, above, the banks, credit systems, foreign trade, gold and currency intact in the hands of the enemies of libertarian collectivism. The same error of the Paris Commune of 1871 was committed: the social revolution should not be made below alone, leaving many aspects of the counter-revolution intact above such as the banks, currency, foreign trade and the repressive state which crushed the collectives in time. The state became stronger day by day in the hands of the communists. The libertarian social revolution suffers one dilemma: either it is carried out immediately and totally, above and below, or it is lost to the power of the state and to its bourgeois and bureaucratic supporters.

From down upwards, libertarian social power must substitute and destroy the exploitative and oppressive state. In order to abolish the traditional power of the state over society, alternative libertarian social power must be created based on the self-management of the workplace and militia self-defence.

If industry, agriculture and the sendees are self-managed and federated in their own specialised branches, they will unite to form an overall economic council. The economic council

along with the federated bodies of self-government and the militia structure will form the three pillars of social power so forming a type of federated self-government, whose task is to administer things not people.

The Spanish libertarian movement placed a great deal of emphasis on the task of creating the infrastructure of libertarian socialism from below, but the anarchist superstructure, above, of social power was ignored. It is true to say that the CNT, through its revolutionary unions, created marvellous forms of self-management, below, in the collectives, the railways, the telephones, gas and electric, etc, but it overlooked the fact that the state was still in existence above as supreme alienating power and that while it existed the libertarian revolution was in danger. This is clear from the May Days of 1937 when the communist divisions entered Aragon, not to fight Franco, but to destroy the libertarian collectives.

It is time to make it clear that private or state capitalism do not guarantee the right to work for all, an increase in the standard of living and in productivity, an economy free of endemic or cyclical crises, a reduction in working hours, rational and frugal consumption without wasting the products of labour, economic, ecological and social balance and a regime of rights and freedom for all.

Libertarian ideas must be shown to be advantageous over bureaucratic and bourgeois ideologies. Everyone should be their own governor but all should be involved in the process of collective production. 'Power' must belong to all, not to the tyrannical state or to a class or a repressive, exploitative elite. Self-management must be created as a new method of production in all economic activity and politics must be based on the libertarian principle that all decide in a responsible way for everything. No leader such as Hitler or Stalin is infallible; there must be freedom for all. In summary, libertarian socialism represents real alternative popular social power because it comes from the people and not from outside, not from the bourgeoisie or bureaucracy, or from the private or state capitalists.

## **APPENDIX 1**

It is untrue to say that equality is in opposition to freedom. A self-managed society' should be able to accomplish both as there is no freedom without equality. Some people give orders, others obey, some live better, others worse. All this, which takes place in private and state capitalism can be abolished, not immediately and absolutely, but in a near future, if all people are able to enjoy the same opportunities for political, moral and scientific education. For this reason, self-management, by overcoming the alienation of the working class by the bosses and the state, frees all people and not just the worker.

## **CO-OPERATION AND SELF MANAGEMENT**

The libertarian economy, as an alternative to the national and international monopolies of the total state, proposes self-management and co-operation in the economic sphere. On the one hand, it envisages dynamic self-management in large urban industries, and on the other, the creation of collective agro-industrial complexes in the countryside, in order to integrate and diversify the economies of different areas in a co-operative manner. Natural and human resources would be harmonised to reduce the rural exodus and to maintain full employment. In both cases the libertarian economy would be capable of creating a social, participatory economy, where

full employment would be guaranteed. This would be achieved not by monetary or financial mechanisms as Keynes would have, but by different types of firms which wholly integrate capital, technology and work by a kind of firm which has the social interest at heart.

In contrast to the Western and Eastern models, the libertarian economy humanises and democratises the economy in the following ways:

All workers have equal rights and duties in the co-operative self-managed firm.

- all workers can be elected to and recalled from the councils of self-administration through assemblies, which are sovereign.
- all workers benefit from the economic surplus produced by their collectivised and self-managed workplaces in accordance with quality and quantity of work done.
- all posts on the self-management or co-operative councils should be renewed after a short time with re-election not possible for a certain period so that bureaucratisation does not develop.

In substance, this is what the libertarian economy should be like. It should show that it is capable of creating as much productive capacity, or even more, than the regimes of state and private capitalism. It would make little sense to be socially advanced whilst economically backward.

## **APPENDIX 2: TEN POINTS OF SELF-MANAGEMENT**

1. Self- management: Do not delegate power in others.
2. Harmony: Unite the whole and the parts in federalist socialism.
3. Federation: Socialism should not be chaotic but coherent, with unity between the whole and the parts on a regional and national level.
4. Direct Action: Anti-capitalist, anti-bureaucratic, so that the people are the active subjects through direct democracy.
5. Co-ordinated self defence: Freedom and self managed socialism must be defended against the totalitarian bureaucracy and the imperialist bourgeoisie.
6. Co-operation in the countryside and self-management in the city: Agriculture can be based on the self-managed company whose model can be the agro-industrial complex. In the city industries and services should be self-managed and their administrative councils should be constituted by direct producers, with no ruling class or intermediaries.
7. Production: Unionised work should be converted into freely associated work without bourgeoisie or bureaucracy .
8. All power to the assembly: No-one should decide on behalf of the people or usurp their functions by means of professional politics. Delegation of powers should not be permanent but should be given to delegates who are electable and recallable by the assembly .

9. No delegation of politics: There should be no parties, no vanguards, elites, directors, managers. Soviet bureaucracy has killed the spontaneity of the masses and has destroyed their creative capacity and revolutionary activity, converting them into a passive people and a docile instrument of the power elites.
10. Socialisation and not rationalisation of wealth: The following must take the most important roles: the syndicates, the co-operatives, local self-managed societies, popular organisations, all kinds of associations, local, regional, county, national, continental and world federal self-government...

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