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## Eugene Plawiuk on Anarchist Socialism

Thursday, January 19, 2006

A thoughtful post by Eugene Plawiuk on "State-less Socialism."

I get called an oxymoron... for using the term Libertarian Communist.

When I pondered the title of this page I could have called it an anarchist, or anarcho-syndicalist, or autonomous marxist or a libertarian socialist, or left communist. But I decided to use the contradictory phrase libertarian communist. Which to me is embraces all these the ideas and those of the Anti-Parliamentary Communists, which included Sylvia Pankhurst, James Connolly and Guy Aldred.

My, my all these terms which are really interchangeable. They really are only terms used for what Kropotkin originally said of anarchism, 'we are the left wing of the socialist movement'. Why I use the term Libertarian Communist rather than Anarchist Socialist could be best illustrated by comparing the ideas of Marx and Benjamin Tucker .

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”Not to abolish wages, but to make every man dependent upon wages and secure to every man his whole wages is the aim of Anarchistic Socialism. What Anarchistic Socialism aims to abolish is usury. It does not want to deprive labor of its reward; it wants to deprive capital of its reward. It does not hold that labor should not be sold; it holds that capital should not be hired at usury.” Benjamin Tucker

This is what I call distributist economics, that is the idea that the problem with the market place is distribution of goods rather than the social relations of production. Tucker was influenced by Prodhoun in this and it is the idea that the problem with capitalism is usury and monopoly, and could be summed up as a fair days wage for a fair days work...

I don't think the individualist anarchist understanding of distribution and exchange can be isolated quite that easily from the social relations of production; after all, what could involve the social relations of production more than the question of whether or not labor receives its full product? Although Tucker rarely wrote in terms of class, a class theory of exploitation was at least implicit in his analysis of unequal exchange. Unequal exchange in the market was the means by which owners of land and capital extracted tribute from labor; because workers were forced to sell their labor on the buyers' terms, they wound up accepting less than their product for their work. For instance, while most members of society gain from some kinds of unequal exchange and lose from others, Tucker considered the important class to be the "chief usurers" who were net beneficiaries of the system of exploitation:

Somebody gets the surplus wealth that labor produces and does not consume. Who is the Somebody?...

Is the Somebody the laborer? No; at least not as laborer; otherwise the question were absurd... We are searching for his surplus product. He has it not.

...Only the usurer remaining, he must be the Somebody whom we are looking for; he, and none other. But who is the usurer, and whence comes his power? There are three forms of usury; interest on money, rent of land and houses, and profit in exchange. Whoever is in receipt of any of these is a usurer. And who is not? Scarcely any one. The banker is a usurer; the manufacturer is a usurer; the merchant is a usurer; the landlord is a usurer; and the workingman who puts his savings, if he has any, out at interest, or takes rent for his house or lot, if he owns one, or exchanges his labor for more than an equivalent, - he too is a usurer. The sin of usury is one under which all are concluded, and for which all are responsible. But all do not benefit by it. The vast majority suffer. Only the chief usurers accumulate: in agricultural and thickly-settled countries, the landlords; in industrial and commercial countries, the bankers. Those are the Somebodies who swallow up the surplus wealth.

And where do the Somebodies get their power? From monopoly. Here, as usual, the State is the chief of sinners. Usury rests on two great monopolies; the monopoly of land and the monopoly of credit. Were it not for these, it would disappear. Ground-rent exists only because the State stands by to collect it and to protect land-titles rooted in force or fraud. Otherwise the land would be free to all, and no one could control more than he used. Interest and house-rent exist only because the State grants to a certain class of individuals and corporations the exclusive privilege

of using its credit and theirs as a basis for the issuance of circulating currency. Otherwise credit would be free to all, and money, brought under the law of competition, would be issued at cost. Interest and rent gone, competition would leave little or no chance for profit in exchange except in business protected by tariff or patent laws. And there again the State has but to step aside to cause the last vestige of usury to disappear.

The usurer is the Somebody, and the State is his protector.

Tucker, like some free market libertarians today, usually framed his discussion of exploitation and unequal exchange in individualistic terms—that is, in terms of transactions between individuals as such, rather than as members of exploiting and exploitative classes. Some right-wing libertarians today go so far in their methodological individualism (not to say atomism) as to instinctively recoil from the word "class." But many free market libertarians are quite comfortable with class analysis. The late Samuel Edward Konkin III (SEK3) wrote *Agorism Contra Marxism*, a work of agorist class analysis based on the distinction of Comte, Oppenheimer, and others between the economic and political means to wealth. Wally Conger has kindly keyed in major portions of it at his blog (the concluding post, *Agorism Contra Marxism*, part 10, includes links to the whole series). Chris Sciabarra's *Total Freedom*, likewise, places central importance on class and the question of "cui bono?" for any context-keeping critic of state intervention. It can be read especially profitably in conjunction with Roderick Long's article "Toward a Libertarian Theory of Class," *Social Philosophy & Policy* 15:2 (1998). Here's an attempt I made to fuse Sciabarra's libertarian dialectic with Long's class theory in Chapter Nine of *Studies in Mutualist Political Economy*:

exchange and communalism. I believe Bill Orton (aka Hogeeye Bill) argued on some message board exchange at FreeMarket.Net or Anti-State.Com that, in a panarchy, a communist workers' collective would from the outside be indistinguishable from a capitalist firm.

Now, as an individualist anarchist, I don't share the collectivists' starting assumptions about capital ownership. And I tend to be leery of the practical effects of syndicalist organization. I think LeGuin's fictional anarcho-communist society in *The Dispossessed* gave a pretty accurate picture of what a federally organized economy would degenerate into, no matter how formally democratic its organization. The syndicates and the central federations of syndicates may be governed by delegates from the factories, recallable at will, and yada yada yada. But the economic decisions the syndicates and federations have to make involve numbers crunching on the scale of Gosplan. So all those comradely workers' delegates will need the "help" of an ever-growing permanent staff of experts to crunch those numbers; and their expertise, and insider access to daily, routine information, will eventually result (via Michels' Iron Law of Oligarchy) in their presenting one or a handful of alternative central plans to be rubber stamped by the delegates. In other words, they'll turn into Gosplan.

The beauty of the price system, on the other hand, is that no central organization is necessary. In an economy of self-employed farmers and small businesspeople, worker co-ops, and worker-controlled factories, interacting through exchange on a free market, the price signal itself provides all the information necessary for the individual actor to decide what and how much to produce.

I disagree strenuously with those who consider the term "anarcho-communism" or "libertarian communism" to be an oxymoron. The various strands of collectivist anarchism are quite consistent to regard themselves as anarchist or libertarian, given their starting assumptions. It's not that they "forbid" wage labor by voluntary contract; rather, their fundamental property rules make it impossible by definition. Since they regard occupancy and use as the basis of property in all means of production, and not just (like us Tuckerites) of property in land, the firm is automatically owned by those engaged in production. As the left-libertarian Peter Ellerman puts it, the workers are the firm.

Given these starting assumptions on property rules, though, it's possible for individual work collectives to interact either through syndicalist federation, or through market exchange, as the members of the individual units see fit. And not only that—it's possible for a large sector of self-employed entrepreneurs and family farms and businesses to deal with each other and with the collectives through free market exchange. In the syndicalist areas of southeastern Spain, for example, self-employed businessmen and peasants were free to operate independently of the communes or syndicates, or to arrange limited membership. As SEK3 argued in his discussions with Ursula LeGuin, it was possible for the "syndicate of initiative" to challenge the increasing bureaucratization of Anarres' anarcho-communist society because they were permitted to own radios and printing presses, and operate independently of the other federated syndicates.

Bakuninist anarcho-collectivism retained a large element of market exchange between communes; and many leftish free market anarchists believe, like Karl Hess, that a great deal of activity in a stateless society would be organized through non-stereotypically "capitalist" organizations like cooperatives and mutual aid societies. So it's quite likely that, as Jesse Walker once suggested on LeftLibertarian, that in any kind of post-state society there would be a great deal of interpenetration between market

The enemy of the state must start with a strategic picture of his own. It is not enough to oppose any and all statism, as such, without any conception of how particular examples of statism fit into the overall system of power. Each concrete example of statism must be grasped in its relation to the system of power as a whole, and the way in which the nature of the part is characterized by the whole to which it belongs. That is, we must examine the ways in which it functions together with other elements of the system, both coercive and market, to promote the interests of the class controlling the state.

In forming this strategic picture, we must use class analysis to identify the key interests and groups at the heart of the system of power. As Sciabarra points out, at first glance Rothbard's view of the state might seem to superficially resemble interest group liberalism: although the state is the organized political means, it serves the exploitative interests of whatever collection of political factions happen to seize control of it at any given time. This picture of how the state works does not require any organic relation between the various interest groups controlling the state at any time, or between them and the state. The state might be controlled by a disparate array of interest groups, ranging from licensed professionals, rent-seeking corporations, family farmers, regulated utilities, and labor unions; the only thing they might have in common is the fact that they happen to be currently the best at weaseling their way into the state...

But on closer inspection, Rothbard did not see the state as being controlled by a random collection of inter-

est groups. Rather, it was controlled by [as Sciabarra wrote]

”a primary group that has achieved a position of structural hegemony, a group central to class consolidation and crisis in contemporary political economy. Rothbard’s approach to this problem is, in fact, highly dialectical in its comprehension of the historical, political, economic, and social dynamics of class.”

Walter Grinder and John Hagel, in ”Toward a Theory of State Capitalism: Ultimate Decision-Making and Class Structure,” saw the ruling class under state capitalism coalescing around the central bankers, and the corporations associated with them.

Eugene continues:

Whereas the IWW took as their watchword Abolish the wages system. from Marx’s essay Value, Price and Profit.

And for good reason, wages will never reflect the real value of labour, merely its exchange value, the price paid for a good.

I take issue with this. A regular email correspondent (whom I am not at liberty to name) made the insightful observation that the treatment of labor by the individualist anarchists and other market socialists is analogous to the Marxists’ treatment of capital. That is, the two groups treat those factors of production, respectively, as uniquely immune from the determination of price by production cost.

For the Marxist, capital is able to command a price greater than the cost of supplying it; the supposed reason why, I’ve never been able to clearly understand. For the individualist anarchist, the natural price of capital in a free market is the cost of providing it; if

the price of capital is greater than that cost, the reason is artificial scarcity.

For the individualist anarchist, on the other hand, the natural market price of labor is not simply the cost of physically reproducing it, as Marx and the classical political economists said. Rather, it is the subjective cost to the laborer of providing it—the toil and trouble, or disutility, of sacrificing his leisure. As Tucker said, in a free market there is no basis for price except cost, and ultimately only labor has real cost. So for us Tuckerites, the difference between the price of labor-power and the price of labor’s product is unnatural, resulting from the state’s intervention in the free market and its forcing of labor to sell itself under conditions of unequal exchange.

In the comments, angry roughneck made the following observation:

One last thought. In a free world which is compatible with capitalism you are free to arrange yourself in any social or working arrangement you choose to. This leaves you free to start communal businesses and anarchist organizations (publications) without any fear of persecution. In your world what is my destiny? I am free as long as I want to be an interchangeable clog in your machine. As soon as i vote to vote against this conformity you will have no option other than silence me. Call me a dissenter and for the good of the people send me to the gulag. Worse what if me and a hundred others decided to quit the commune and form a company with a hierarchal structure based on voluntary contracts then what would happen? Would you allow us to live as we choose? I am powerless to determine your values in a capitalist world and yet you hope to create a world based on the premise of freedom by first inscribing mens proper values?