

# The State and Social Economy

Warlaam Tcherkesoff

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If the fatalist law had turned many Socialists from the economic struggle, and driven the masses exclusively into electoral agitation, that would have been an evil, but only a partial one. For example, in Germany, where the Social Democratic party boasts so remarkable a success, the conditions of labor are far worse not only than in England, where the masses continue the purely economic contest, but worse than in France. But this evil has remained partial, for the majority of workers have instinctively kept to the economic battlefield of the strike. But if in our times we are witnesses of an injurious and miserable development of the all powerful State, centralizing everything, paralyzing the productive energy and the intellectual life of nations, enchaining European humanity and eating up whole nations by its millions of functionaries, its prodigious standing armies, and if the masses of the people are submitting to the Despotism of the State, the police and any sort of authority, a great part of the responsibility, if not the whole, falls upon the metaphysical, authoritarian, Social Democratic, German school.

Before the doctrines of Social Democracy had so fully developed, all independent spirits, among the middle classes and the people alike, attempted by every means to lessen and curtail in every possible way the influence of the State in social life, the number of its officials, and its financial powers. Under the influence of the revolution in North America and the formation of the United States, the ideas of Autonomy and Federation began to gain sympathy in the popular mind. Before 1848, both Liberal politicians and Socialists were partisans of the complete autonomy of productive groups. Even Louis Blanc, the admirer of the Jacobins and the Convention, with their motto, "The Republic one and indivisible," recognized in his project for the "Organization of Labor" that, "organized workshops and loans to the poor being set on foot, the State has no further right to meddle with the autonomous life of the association." But Social Democracy began to preach that all must be sacrificed to the State, that it must be allowed to absorb and centralize everything; for, thanks to economic destiny, one fine day, instead of Hohenzollerns and Bismarcks, there would be Liebknecht, Engels, and Bebel organizing a terrestrial paradise by means of their industrial and agricultural armies. All ideas of autonomy were treated as ridiculous, Federalism was persecuted in the International, and Liebknecht, with comically reactionary arrogance, declared, "I am the enemy of all Federal republics."

We are already sufficiently acquainted with their fundamental economic theory. Let us see if their love for the State has turned out any better than their economic Fatalism. In the following analysis I limit myself exclusively to France, with its centralized and all powerful State.

It is well known to every one that every event in social and organic life is the result of an expenditure of energy, a use of matter. If the expenditure exceeds the advantage of an enterprise, sensible men give up the enterprise. The same thing occurs in social life: a hurtful institution is in the end always rejected. In our fathers' days, when Marxian metaphysic, with its fantastic laws and hypotheses, had not yet invaded Socialism, everyone rebelled against the useless expenses of the State, against the crushing burden of taxation. And what did the State take that our worthy fathers and grandfathers should thus rebel?

GROWTH OF THE EXPENSES OF THE STATE IN POUNDS STERLING

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 --- 1750 --- 1810 ---- 1850 ---- 1889 --- Increase from 1750 - 1889 -----  
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France 14,200,000 - 40,000,000 - 51,000,000 - 121,800,000 - 9 times  
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 Germany 7,000,000 - 11,500,000 - 23,800,000 - 154,700,000 - 22 times  
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Russia 1,600,000 - 11,000,000 - 39,900,000 - 88,800,000 - 55 times  
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Italy 1,500,000 - 4,600,000 - 12,000,000 - 72,000,000 - 48 times  
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They were ignorant fellows, those men of the Great Revolution, to rebel against the charges of the State. "Scientific Socialism" teaches the people that they must joyfully put up with expenditure 22 and 48 and 55 times greater than formerly. But I, an ignorant Anarchist, I approve the revolt of our grandfathers, and I grow indignant over the completely ruined condition of the people in Russia, where State expenses have increased 55 times, over the misery of Italy, where the expenditure is 48 times as great as before, and over Germany, where Social Democracy flourishes and the workers toil 13, 15, and often 18 hours a day for wages amounting to ls. 6d. (36 cents).

But we shall be told that, if the expenses of the State are increased, it is the people themselves who profit thereby. Indeed? Let us look into that.

The French budget for 1892 shows us that the State took 3,780,077,692 francs that year. From this enormous sum,

The bourgeoisie received as interest on the "public debt": 1,284,191,874

The same bourgeoisie, for the administration of finance and collection of taxes for the government: 1,193,494,440

The same bourgeoisie for the army commissariat at least one third of the military expenses amounting to: 285,142,000

Total allowance to bourgeoisie: 2,762,827,814

If we add the military expenses destined to protect the same bourgeoisie: 570,282,000

Remains the modest sum of: 446,967,878

for education, post office and public works, which also are largely for the benefit of the bourgeoisie.

To the State budget must be added 500,000,000 francs for the municipal budgets, a third of which is also distributed among the rulers and exploiters, and we arrive at the fact that the State, so loved and favored by the Marxian metaphysicians, every year deprives the French people of three and a half milliards for the advantage of the bourgeoisie! It is a pretty sum to distribute. It forms a third of all of which the bourgeoisie deprives the people by direct exploitation. For, according to the calculations of Leroy Beaulieu, the annual revenue of all France is equal to 25 millions of francs, which are divided about as follows:

To the State, returned  
4,000,000

To the bourgeoisie, counting the nine millions of producers who gain for their employers 250 francs per day  
8,212,000,000

For the national consumption, counting 50 centimes per day per head  
7,300,000,000

The costs of production  
5,488,000,000

Three milliards (billions in English) and a half given by the State, eight milliards (billions in English) and 212 millions extracted under the protection of the same State, altogether 11,712,000,000 francs that the exploiters in France can divide between them each year.

And now, reader, do you understand why the number of capitalists increases without the millionaires eating up the smaller bourgeois? With this enormous sum, 11,712 millionaires (in francs) might be created a year, and 23,434 capitalists possessing 500,000 francs; or, as actually happens, the sum may be divided rather more generally, and the whole bourgeoisie, who rule us and make the laws for their own advantage, thus prosper and multiply.

But you see that the empire has fallen. The people, placing their hope in the republic, that beloved Marianne, would relieve them of their crushing burdens, would diminish national Parasitism. They flattered themselves in vain with such hopes. The republican State showed itself even more wasteful. You may judge by these figures:

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Years Salaries (millions francs) Pensions (millions francs)

1855 241 30

1870 296 30

1880 440 47

1893 517 81

and the number of functionaries has increased 806,000 individuals.

You must not think this malady peculiar to French republicans. In Russia, Germany, Italy, everywhere, the growth of Parasitism is as rapid.

It is the same in the United States, where functionaries' pensions are a great burden, and ever go on increasing. If we examine the expenses of administration of the national debt and of pensions, we find for the year 1892:

Administration  
\$100,000,000

Interest of public debt  
\$23,000,000

Pensions  
\$125,000,000

Total  
\$248,000,000

The entire budget is \$409,000,000; to put it in another way, more than half of the expenditure goes to those who produce nothing. And we hear men extol the State and think they can ever reform it! (Kinder-Glauben!)

But have you noticed that the State not only plays the part of protector of capitalist exploitation, but itself directly accomplishes a third of this exploitation? And the people are told that they must leave to the State the absolute monopoly of economic affairs.

What would you say, reader, if I advised that for the solution of the social question full power should be allowed to the exploiters to ruin the people, and that this misery or dishonor imposed upon the people by the exploiters should be submitted to joyfully? Or what would you think of my sincerity if I advised you to acquiesce in your slavery because one fine day all the wealth accumulated and wasted by your oppressors might, thanks to a miracle worked by a fantastic law, become the possession your great-grandchildren?

But thus stands the case of those gentlemen who preach to you the benefits of the State, without considering its exploiting action in the economy of social life.

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Note In this text, taken from *Pages of Social History*, the author dismantles the idea that the state is a useful tool for the emancipation of the working class and that it can be used as a point of passage towards the stateless and classless society, as sustained by Marxists and social-democrats alike.

Text Edited by Michael Schreiber

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