

Economics
&
ANARCHISM

ANARCHISM
&
Federalism

The Raven

**ANARCHIST
QUARTERLY**

31

THE RAVEN anarchist quarterly 31

Volume 8 Number 3

ISSN 0951 4066

Autumn 1995

Introduction	201
SECTION 1: ECONOMICS AND ANARCHISM	
George Woodcock On Proudhon's 'What is Property?'	203
Errico Malatesta Money and Banks	211
Gaston Leval Collectives in the Spanish Revolution: Final Reflections	213
Colin Ward Learning about LETS	229
Harold Sculthorpe LETS: Local Exchange and Trading Schemes	234
Neil Birrell Some Notes for an Anarchist Theory of Trade	247
Henry Seymour The Monomaniacs: a fable in finance	261
SECTION 2: FEDERALISM AND ANARCHISM	
Camillo Berneri Peter Kropotkin: His Federalist Ideas	268
Thom Holterman A Free United Europe	283
Colin Ward Federalism, Regionalism and Planning	290
Comments	302
Editors' Notes / Donations	304

Subscriptions to *The Raven* (four issues)

Inland: Regular £12, Institutions £18, Claimants £10

Abroad: Regular: surface £14, airmail (Europe) £16, airmail (rest of world) £18
Institutions: surface £22, airmail £27

Joint subscriptions to *The Raven* (4 issues) and *Freedom* (24 issues)

Inland: Regular £24, Claimants £18

Abroad: surface £34, airmail (Europe) £40, airmail (rest of world) £50

Freedom Press, 84b Whitechapel High Street, London E1 7QX
(Girobank account 58 294 6905)

Introduction

Economics and federalism are subjects of interest not only to capitalists and Eurosceptics respectively, but to anarchists as well, but for different reasons. Not only does capitalism dominate the global scene, the multinationals and transnationals have taken away any initiative governments might have or even want to have on the direction of the economy, least of all on mass unemployment in the prosperous countries of the West.

Everyone knows that the unemployment figures in this country may tell one how many unemployed are eligible to receive the dole but not how many are seeking jobs but are no longer entitled to register. When both France and Germany each admit to a four million dole queue, the prospects of any government solving the problem are remote, so long as investment is directed to cheap labour in the Far East and every technological breakthrough inevitably results in more sackings and redundancies. The only solution to unemployment is the shorter working week, more leisure, not only to emulate the poet W.H. Davies (1870-1940) who asked 'What is this life if, full of care, / We have no time to stand and stare' but also to have ample time to run our own lives. Today millions of financially hard-pressed families are in this situation because with both parents working in jobs they mostly hate, often badly paid, depend on others to look after the children and to supply at a price the take-away food on which they live, and last but not least the money-lenders want their share on the mortgages.

The situation can only get worse for the 30% so-called 'underclass', and will be threatening the 40% who are now more than comfortably off. But not for much longer, to judge by the views of a publication of The Henley Centre,* *After the old Rush. The Trouble with Affluence: 'Consumer Capitalism' and the Way Forward* by Stewart Lansley. The argument is that there are too many wanting to feed from the capitalist trough of plenty. Needless to say, the author does not attack capitalism but seeks to demonstrate that the roots of this 'crisis' of capitalism 'lie in the shift from welfare capitalism of the post-war years

* A capitalist enterprise *par excellence* describing itself 'The Henley Centre for Forecasting, founded in 1974, is Europe's premier research-based consulting organisation. It works closely with some of Europe and America's largest companies as well as government departments and the European Commission'.

to the consumerist culture of today'. In other words, 'welfare capitalism' is vital to keep the 'masses' quiet while the Big Cats go on adding to their fortunes. And so long as the victims of capitalism accept the hand-outs of 'welfare capitalism' nothing will change, apart from the numbers at the bottom end of the 'prosperity scale' increasing. Anarchists who are pacifists hope to achieve our ends by persuading the rich and powerful of the errors of their ways, whereas for this writer and non-pacifist anarchists they will only be achieved when the victims of capitalism unite and confront the privileged minority whose wealth has been produced by the working masses here and worldwide, and we have no doubt that they will resist our arguments with *force* and it is the only language they will respect.

In this respect Gaston Leval's 'Final Reflections' on the Spanish Revolution are of inestimable value for anarchists, and socialists who have lost their faith in governments.

The LETS movement is of considerable interest to anarchists so long as it is essentially a community enterprise which enriches not only the material comforts and needs but also the lives of members at a social and mutual aid level.

In a sense LETS is part of the anarchist idea of federalism. The Tory sceptics seem to think that the European Union aims to be a federalism of *nations* ruled from Brussels – whereas to anarchists federalism is first of all the abolition of national government (so government from Brussels is an even greater nightmare for anarchists) and control and organisation at local level, and the more local it can be the better for everybody.

Such *decentralisation* does not mean *isolation*. What it means is that we must all, in such a situation, be responsible for our own lives but also be involved in that of the community. That we have got a long way to go is no argument for not recognising that the happier leisure society that not only anarchists but most people would want to have for themselves and their children will not be brought about by governments, millionaire philanthropists or employers. We must bring about the world without rich and poor, without privilege and without injustice.

VR

George Woodcock

On Proudhon's 'What is Property?'

'I belong to no party, no coterie; I have no followers, no colleagues, no associates. I create no sect; I would reject the role of tribune even if it were offered to me, for the sole reason that I do not wish to enslave myself!' So Proudhon declared in 1840, shortly after the publication of the book – *What is Property?* – which was to bring him both fame and notoriety, and to place him among the great socialist thinkers of the nineteenth century.

It is one of those paradoxical statements Proudhon relished, for it was true and at the same time not true. Throughout the quarter of a century of his career as a revolutionary philosopher, he remained a solitary figure, attached to no party, founding no formal movement to propagate his ideas, and repelling rather than encouraging agreement; there was more than malice in Victor Considérant's description of him as 'that strange man who was determined that none should share his views'. He enjoyed shocking not only the bourgeoisie but other socialists as well, and in the stormier days of the revolution of 1848 he revelled in the title of *l'homme terreur*.

Yet at the same time Proudhon's ideas were so powerful that they fertilised many movements which followed after him. 'Proudhon is the master of us all', said his formidable Russian admirer Michael Bakunin, through whom Proudhon's ideas passed into the historic anarchist movement. The First International was founded largely by the efforts of French working men for whom Proudhon's words were the revolutionary gospel, and it was destroyed in the great fight between those who supported a libertarian socialism of the kind he advocated and those who followed the authoritarian pattern devised by Karl Marx. Later the CGT, the great French trade union movement which is now the captive of the Communist Party, was originated by anarcho-syndicalists guided by Proudhon's theories of working class action, and in Spain not only the anarchists but also the

George Woodcock wrote this essay as an introduction to a new edition of Proudhon's *What is Property?* It was subsequently published in *Anarchy*, 106 (December 1969).

federalists of the 1870s were influenced by his teachings, as were the Russian narodniks. Kropotkin, Herzen and Sorel were all his confessed disciples. Baudelaire supported him during the revolution of 1848; Saint-Beuve and Flaubert admired him as a writer of classic French prose. Gustave Courbet wove his theories into an art that aimed to express the longings of the people, Péguy was influenced by him, and even Tolstoy sought him out and borrowed the title and much of the theoretical background of his masterpiece *War and Peace* from Proudhon's book *La Guerre et la Paix*.

This fiery individualist who disdained followers yet wielded such a pervasive influence in his time and afterwards, was born in 1809 in the suburbs of Besançon. His parents were of peasant stock from the mountains of the Franche-Comté, a corner of France whose people are noted for their craggy independence: 'I am pure Jurassic limestone', he once said. His father was a cooper and brewer whose beer was much better than his business methods. Whenever the elder Proudhon's ventures failed, which was often, the family would return to the ancestral farm and Proudhon remembered an austere but in many ways idyllic childhood:

In my father's house, we breakfasted on maize porridge; at midday we ate potatoes; in the evening bacon, and that every day of the week. And despite the economists who praise the English diet, we, with that vegetarian feeding, were fat and strong. Do you know why? Because we breathed the air of our fields and lived from the produce of our own cultivation.

To the end of his life Proudhon remained at heart a peasant, idealising the hard but satisfying ways of his childhood, and this influenced his view of existence, so that always – when he envisaged a desirable society – the basis was formed by the farmer assured of the use of such land as he could cultivate and the craftsman assured of the workshop and tools he needed to earn a living.

Proudhon's father added to his commercial incapacity a passion for litigation, and Pierre-Joseph's education at the college in Besançon – where he moved in clattering peasant sabots among the shoe-clad children of the well-to-do – was brought to an abrupt end when the family was plunged into bankruptcy by an adverse court decision. He was apprenticed to a printer, and took a pride in this change of fortune that made him into a craftsman rather than a clerk or a lawyer. 'I still remember', he wrote long after he had abandoned the printing shop for the writer's desk, 'the great day when my composing stick became for me the symbol and the instrument of my freedom'. In his trade

Proudhon not only acquired the sense of independence that comes from a craft well learnt; he also found the printing shop a second school, where he could teach himself Hebrew as well as perfecting his Latin and Greek, while he set in type the works of the theologians who infested the seminaries of Besançon, and where he came into direct and personal contact with the traditions of socialism through meeting another celebrated native of his birthplace, the eccentric Charles Fourier, and supervising the printing of Fourier's strange but influential masterpiece, *Le Nouveau Monde Industriel et Sociétaire*. Eventually, in the interests of freedom, Proudhon was to reject Fourier's utopian form of socialism, with its planned communities or phalansteries, but 'for six weeks', he remembered, 'I was the captive of that bizarre genius'.

While he was working in the printing shop, Proudhon compiled a rather naive essay on philosophy which was his first published work. It attracted the attention of the Besançon Academy and earned him the Suard Pension, which enabled him to study and live rather penuriously in Paris while he wrote his first important book, *Qu'est ce que la Propriété?* or *What is Property?* It appeared in 1840 and was only the first of many books produced in a life of ardent writing.

Proudhon was no mere desk-bound theoretician until in later life ill-health made him so. In his own independent way he played a lively role in the dramatic events of his time. The publication of *What is Property?* brought him a European fame in the radical circles of his time, and during the early 1840s he came into close contact with many of the men who later were to play dominant roles in the socialist movement. Marx, Bakunin and Alexander Herzen were all at this time exiles in Paris, living in poor furtive rooms of the Latin Quarter, which Proudhon also inhabited, and he became friendly with all of them, spending days and often nights discussing the tactics of the revolution and the philosophy of Hegel and the Left Hegelians, the leading group among French socialists at this period. Within Bakunin and Herzen the friendship was lasting, and both these men were to take Proudhon's ideas into larger contexts than the French revolutionary movement – Bakunin into international anarchism and Herzen into Russian populism. With Marx the relationship was guarded and temporary. Marx first hailed *What is Property?* as 'a penetrating work' and declared it to be 'the first decisive, vigorous and scientific examination' that had been made of the subject. He was one of the first writers outside France to recognise Proudhon's importance, and he tried hard to recruit him into the international communist network

which he and Engels were attempting to create in the years immediately before 1848. In 1846 there was an exchange of letters on this subject in which Proudhon showed clearly his estimate of Marx's overbearingly dogmatic attitude towards socialism. The key passage in his final letter marks the real beginning of the conflict of personalities and ideas which divided the socialist movement of the nineteenth century and which, when Bakunin took Proudhon's place as the spokesman of libertarian socialism, was to make the breach between the anarchist and the communist movements complete.

He told Marx:

Let us seek together if you wish the laws of society, the manner in which these laws are realised, the process by which we shall succeed in discovering them; but, for God's sake, after having demolished all the *a priori* dogmatisms, do not let us in our turn dream of indoctrinating the people ... I applaud with all my heart your thought of bringing to light all opinions; let us carry on a good and loyal polemic; let us give the world the example of a learned and far-sighted tolerance, but let us not, because we are at the head of a movement, make ourselves the leaders of a new intolerance, let us not pose as the apostles of a new religion, even if it be the religion of logic, the religion of reason. Let us gather together and encourage all protests, let us brand all exclusiveness, all mysticism; let us never regard a question as exhausted, and when we have used our last argument, let us begin again, if need be, with eloquence and irony. On that condition, I will gladly enter your association. Otherwise – no!

Deeply offended, since he recognised Proudhon's implied reproach to his own bigotry, Marx never wrote an answering letter; he replied in another way when, in 1847, he published a book, *The Poverty of Philosophy*, in which he viciously attacked Proudhon and brought all links between them to an end.

Proudhon hardly noticed Marx's attack – it rated a couple of lines in his diary with the laconic remark 'Marx is the tapeworm of socialism!' – for already events in France were moving towards the revolution of 1848, and he was anxious to spread widely his own ideas on socialism. For this, he felt a newspaper to be necessary and, a few days after he had helped to erect the barricades of a revolution which he felt had been 'made without ideas', he founded *Le Représentant du Peuple*, the first of a series of four papers lasting in all over two and a half years, each of them killed because Proudhon's forthrightness was too much even for those revolutionary days. The people bought every issue he published with enthusiasm, but the authorities feared his popularity so much that they not merely suppressed his papers but

also, in 1849, imprisoned him for three years for insulting the new Prince-President Louis Napoleon, who was preparing to recreate the Napoleonic empire.

Before he went to prison, Proudhon had been elected to the National Assembly and had caused a scandal there by a proposal which he considered would contribute to the desired aim of the revolution; this he saw as the reduction of property to possession by the abolition of revenues. His proposal, for a partial moratorium on rents and debts, would give the proprietors a chance 'to contribute, for their part, to the revolutionary work, proprietors being responsible for the consequences of their refusals'. When his colleagues shouted for an explanation, Proudhon proceeded to make one of his historic definitions. 'It means', he told the assembly, 'that in the case of refusal we ourselves shall proceed to the liquidation without you'. When his hearers shouted 'Whom do you mean by *you*?' he answered, 'When I used those two pronouns, *you* and *we*, it is clear that I was identifying myself with the proletariat, and you with the bourgeois class'. 'It is the social war!' shouted the angry members, and they voted condemnation of Proudhon 691 to 2. He gloried in being in so small a minority, and is even reported to have been annoyed with the solitary friend who voted loyally with him.

In fact, though in this way Proudhon clearly laid down his view that the revolution must take on a class form in which the workers would have to find their own way to freedom, he was no violent revolutionary. The lever of social change he was seeking to create in 1848 was nothing more lethal than the People's Bank, an institution of mutual credit among producers by which they could eventually undermine the capitalist system by evolving their own network of exchange. But the People's Bank, though it had gathered 27,000 members, foundered after Proudhon's imprisonment. His literary activity, however, continued, largely owing to the leniency with which political prisoners were treated in nineteenth century France. He was allowed books and visitors and food as he desired, he could go out on parole for one day a week, and in the process of three years' imprisonment he managed to write three books, to continue editing his newspapers until they were finally suppressed, to marry and beget a child.

He emerged from prison in 1852, and soon he was in trouble again. Under the autocratic regime of Napoleon III most of the socialists had gone into exile, or prison, or silence, and Proudhon, who refused to keep quiet, became almost the only spokesman for the independent

left. In 1858 after he published his most impressive work, *De la justice dans la révolution et dans l'église*, he was prosecuted for attacks on church and state and this time, instead of accepting the sentence of five years imprisonment, he fled to Belgium where he stayed until 1862, returning to Paris for the two years that remained to him of life. In that last phase, Proudhon wrote on many subjects from federalism to the principles of painting, but most of all he was concerned with persuading the people to boycott the elections by which Napoleon III sought to validate his rule (Proudhon thus initiating the anarchist custom of refusing to vote in elections), and with developing his theory that the workers had nothing to gain from supporting parties organised by members of other classes but must recognise their own political capabilities and create their organs of social change. 'I say to you with all the energy and sadness of my heart: separate yourselves from those who cut themselves off from you.' Many workers began to accept his arguments, so that in the end this man who sought to create no party actually acquired a following and lived long enough to hear that the International had been founded largely by Proudhonians.

In the career that made Proudhon such a seminal figure in European socialism, *What is Property?* holds a special place. The book, as we have it today, consists of two separate works: *What is Property?* itself which, in the original, appeared in 1840, and the *Letter to M. Blanqui* which appeared in 1841. Louis-Adolphe Blanqui, a relative of the famous conspirator, was an economist who had criticised Proudhon's original work. The main function of the letter in fact is to fill in whatever loopholes may have been detected in *What is Property?*

Proudhon launched *What is Property?* with a grand éclat by answering the question in the title with the phrase 'Property is Theft!', a maxim long to be remembered, to be bandied about in the polemics of anarchists and others and to hang like a verbal albatross around its creator's reputation.

Ironically, Proudhon did not mean literally what he said. His boldness of expression was intended for emphasis and by 'property' he wished to be understood what he later called 'the sum of its abuses'. He was denouncing the property of the man who uses it to exploit the labour of others without an effort on his own part, property distinguished by interest and rent, by the impositions of the non-producer on the producer. Towards property regarded as 'possession', the right of a man to control his dwelling and the land and tools he needs to live, Proudhon had no hostility; indeed, he

regarded it as the cornerstone of liberty, and his main criticism of the communists was that they they wished to destroy it.

Seeking neither property in its ordinary unrestricted sense, nor communism, Proudhon reached the conclusion that the only society which could possibly guarantee a man's rights to the product of his toil was one of 'liberty'. Here he came to another celebrated definition, for after examining the various forms of government, he declared he was not a 'democrat' but an 'anarchist'. By this he meant not that he upheld political chaos but that he believed in an immanent justice which man had perverted by the creation of wrong institutions. Property was incompatible with this justice because it excluded the worker not only from enjoying the fruits of his toil, but also from benefiting from the social advantages which are the products of centuries of common effort. Justice therefore demanded a society in which equality and order could exist together. There was only one such society. 'As man seeks justice in equality, so society seeks order in anarchy. Anarchy – the absence of a master, of a sovereign – such is the form of government to which we are every day approximating.'

Proudhon was not the first anarchist in the sense of advocating a society based on natural cooperativeness rather than coercion – William Godwin had preceded him fifty years before when he wrote *Political Justice* – but Proudhon was the first man to use the word 'anarchism', which had formerly been a term of political abuse, as the exact definition of a theory advocating a society where communism and property would be synthesised in such a way that government would come to an end the freedom flourish in a work of small proprietors united in a network of free contracts.

In Proudhon's as in Godwin's picture of the ideal society it is this predominance of the small proprietor, the peasant or artisan, that immediately impresses one. It is clear from a reading of *What is Property?* that Proudhon is talking mainly about property in land, and that his solution is almost wholly an agrarian one – the kind of solution that would have saved honest and hard-working countrymen like his father from recurrent bankruptcy. Manufacture more complex than that carried on by artisans in small individual workshops he appears to ignore. But we have to remember that, like Godwin, Proudhon was speaking from his experience, which had been limited in 1840 to the rural environs of Besançon where the railway, that pioneer of industrialism, had not yet penetrated, and to the Latin Quarter of Paris which then, as even now, was a nest of small workshops. Afterwards, in Lyons, he was to have experience of the rising

industries of the period and in later works, particularly in *The General Idea of the Revolution in the Nineteenth Century*, he gave ample thought to the creation of cooperative associations for the running of factories and railways.

What is Property? embraces the core of nineteenth century anarchism without the connotations of violence that were later attached to the doctrine. Proudhon differed from some of his successors in believing that the abuses of property could be brought to an end without the traumatic convulsions of a bloody revolution. But all the rest of later anarchism is there, spoken or implied: the conception of a free society united by association, of workers controlling the means of production. Later Proudhon was to elaborate other aspects: the working class political struggle as a thing of its own, federalism and decentralism as means of re-shaping society, the commune and the industrial association as the important units of human intercourse, the end of frontiers and nations. But *What is Property?* – though it is a young man's book and far less eloquent or decorated with autodidactic trophies of learning than such later works as *De la Justice* and *La Guerre et la Paix* – remains the foundation on which the whole edifice of nineteenth century anarchist theory was to be constructed.

Errico Malatesta

Money and Banks

It is a mistake to believe, as some do, that the banks are, or are in the main, a means to facilitate exchange; they are a means to speculate on exchange and currencies, to invest capital and to make it produce interest, and to fulfil other typically capitalist operations, which will disappear as soon as the principle that no one has the right or the possibility of exploiting the labour of others, triumphs.

That in the post-revolutionary period, in the period of reorganisation and transition, there might be 'offices for the concentration and distribution of the capital of collective enterprises', that there might or might not be titles recording the work done and the quantity of goods to which one is entitled, is something we shall have to wait and see about, or rather it is a problem which will have many and varied solutions according to the system of production and distribution which will prevail in the different localities and among the many natural and artificial groupings that will exist. What seems essential to me is that all money actually in circulation – industrial shares, title deeds, government securities and all other securities which represent the right and the means for living on the labour of others – should immediately be considered valueless and also, in so far as it is possible to do so, destroyed.*

It is customary in anarchist circles to offer a simplistic solution to the problem of money by saying that it must be abolished. And this would be the solution if it were a question of an anarchist society, or of a hypothetical revolution to take place in the next hundred years, always assuming that the masses could become anarchist and communist before the conditions under which we live had been radically changed by a revolution.

But today the problem is complicated in quite a different way. Money is a powerful means of exploitation and oppression; but it is also the only means (apart from the most tyrannical dictatorship or the most idyllic accord) so far devised by human intelligence to regulate production and distribution automatically.

* *Umanità Nova*, 18th April 1922.

For the moment, rather than concerning oneself with the abolition of money one should seek a way to ensure that money truly represents the useful work performed by its possessors.

Let us assume that a successful insurrection takes place tomorrow. Anarchy or no anarchy, the people must go on eating and providing for their basic needs. The large cities must be supplied with necessities more or less as usual.

If the peasants and carriers, etc., refuse to supply goods and services for nothing and demand payment in money, which they are accustomed to considering as real wealth, what does one do? Oblige them by force? In which case we might as well wave goodbye to anarchism and to any possible change for the better. Let the Russian experience serve as a lesson.

And so? The comrades generally reply 'But the peasants will understand the advantages of good communism, or at least of the direct exchange of goods for goods.'

This is all very well, but certainly not in a day, and the people cannot stay without eating for even a day. I did not mean to propose solutions [at the Bienne meeting]. What I do want to do is draw the comrades' attention to the most important questions which we shall be faced with in the reality of a revolutionary morrow.*

* *Umanità Nova*, 7th October 1922.

Gaston Leval

Collectives in the Spanish Revolution: Final Reflections

We have so many times said, for it is important to bear this in mind, that the Spanish libertarian revolution was set in motion as a consequence of the Francoist attack which made it possible to put into action revolutionary forces which without it were condemned to new and sterile failures. And when we say 'sterile failures' we are referring to the attempts made in January 1932, January and December 1933 (revolutionary and insurrectional attempts organised and manned by the CNT-FAI) to which one must add the Asturian miners' insurrection in October 1934 in which socialist, UGT and CNT workers (in spite of the stupid opposition of the national *Comité* of the CNT) and even Communists took part.¹ All these attempts were crushed by the more powerful forces of the state, supported by the non-revolutionary political parties which, for all that, were not fascist.

This last point needs elaborating. The tactical concepts of anarchist communism (and before it anarchist collectivism) implied, according to a tradition going back to the First International, the attack by and the victory of the people. Therefore the armed struggles which took place under the Second Spanish Republic corresponded to a doctrine of action theoretically established. This doctrine – which coincided with the teachings of Kropotkin and was taken up by his disciples, including the present writer – considered that local uprisings, the attempts, even sporadic and so numerous before the French Revolution, constituted a training, a revolutionary exercise in which the people learned to fight, and would end by winning the last hand. A little like Peter the Great's celebrated remark in face of the continued defeats inflicted on him by the Swedes: 'By going on fighting they will teach us how to beat them'.

Unfortunately there was no proletarian Poltava and what we have just recalled provides an explanation that should be borne in mind. If we return to all the factors that intervened in this chapter of history we are obliged to conclude that the defeat of the Spanish libertarian

revolution was inevitable. For every social revolution provokes the cohesion of the threatened forces drawn together for exceptional reasons, and in spite of those which normally divide them. It is the lesson that we learn not only from the final defeat of the Spanish Revolution but of history when studied with a concern for the truth.

Apart from some contemporary exceptions which have anyway led to new forms of oppression,² generally speaking it is the *political* revolutions that have triumphed, but the same men or the same parties who were fighting amongst themselves for a change in the power structure became reconciled when they were faced with a popular movement which threatened their positions or their privileges. Thus in France the revolution of February 1848 was simple: liberal bourgeois and workers joined forces to overthrow the monarchy of Louis Philippe. But everything was changed four months later when the workers wanted to introduce socialism. Then the liberal bourgeois allied themselves with the monarchists and Cavaignac, the republican general, struggled with all his might against the insurgent workers.

Other social revolutions, or those which had a definite social content – whether it was the Commune of Paris, or the Peasant War in Germany in which Luther was allied to the nobility in provoking them to the wholesale massacre of the serfs in revolt, or again the Hussite movement in Bohemia and all the peasant risings of the Middle Ages – all are a repetition of the same facts. One must go back to Egypt in 2200-2000_{BC} to find a victorious social revolution. And even then, two centuries later – probably even before that – a new dynasty had been enthroned and the castes re-established.

Bakunin himself wrote eighteen months before his death, thereby confirming what Elisée Reclus had written to him: 'You are right, the day of revolutions is past, we have entered that of evolution'. And he explained his opinion by recalling not only the terrible defeats suffered by European revolutionaries in the course of nearly half a century of heroic struggles, but in face of the scientifically organised military power of modern states, and the lack of revolutionary spirit or desire for emancipation among the masses.

To be sure this latter consideration did not apply to the Spanish people, or at least to that large dynamic section which made history. But facts oblige us to recognise that the Kropotkinian thesis, to some extent in opposition to the posthumous theses of Bakunin, Elisée Reclus and even of Proudhon,³ has not been borne out by experience. For fascist totalitarianism, which in Italy after World War One was

answering back at a long period of disturbances which did not end in revolution, made its historical appearance. And fascism is the 'preventive counter-revolution' of those who are threatened by subversion, even when it is incapable of changing the social order. The people themselves end by preferring the suppression of political and civic liberty to permanent disorder which, let us face it, is also an attack on freedom if only of living a normal life.

There is therefore the danger in pursuing these revolutionary exercises, with an unending series of partial strikes, continuous general strikes and insurreccional attempts, of harming the stability of society.

This is probably what happened in Spain before the unleashing of the fascist attack. Certainly it is not a question of condemning outbursts caused by hunger, impatience, despair, anger a hundred times justified in those who saw their babies dying from lack of treatment or who had spent most of the year looking in vain for work and having to send their children barefoot to school – when a school was available. But those who set themselves up as leaders of the CNT and the FAI – the latter organisation embodied a revolutionary passion rather than intellectual worth – needed a strategic vision which they lacked. Here too they were not equal to the situation. The greatness of the libertarian movement was its almost exclusively proletarian character, but it was also its weakness. And this weakness permitted the demagogues, and we had our share of them, to play a role for which they were not cut out.

★ ★ ★

But even more responsible were the socialist and republican leaders who had neither the inspired initiative, the intelligence nor the courage to undertake, with the proclamation of the Republic, daring social reforms which might have satisfied the hunger of some and tempered the impatience of others. They have a greater share of the responsibility because they were better educated and had greater means for action. What was the reason for their indifference? Undoubtedly power had made them faint-hearted, had dulled their imagination as so often happens to the happy beneficiaries of new political regimes. We are not saying this in a partisan spirit. About 1935 an enquiry had shown that the largest percentage of *enchufistas* (people who hold more than one official employment) were to be found among the Socialists and the Left Catalanists. Social reforms interested them much less than the enjoyment of newly acquired

privileges. In such an *ensemble* of conditions, the revolutionary fact had to occur.

On the other hand, one of the consequences of the continuous social conflicts was to drive people of the centre parties towards the right, and to swell the conservative, reactionary and fascist forces. The figures at the February 1936 elections prove this, and here one can speak of the responsibility of the revolutionaries. But if the socialists and left republicans had given land to the starving peasants⁴ and had undertaken daring social reforms which were clearly exceptional in a situation which was itself exceptional, the tumultuous social struggles would not have been of such a grave nature and perhaps the fascist reaction would not have resulted. But they preferred to limit themselves to copying the constitution of the Weimar Republic.

* * *

We have said and repeated that the fascist attack created a favourable situation for the libertarian sector to take over an important part of the general situation and of almost the whole economy. Nevertheless the repercussions were only favourable, for negative and positive consequences were about equally balanced. On the one hand many militants, often the best, were because of the war mobilised and many died at the front. It was also the best who were missing from the syndicates, in the collectives, in the villages where they exercised a salutary influence. And on the other hand, the number of those who became a part of the government bureaucracy were also numerous enough for their absence to be felt.

* * *

One of the dominant characteristics which impresses whoever studies the Spanish Revolution is its many-sidedness. This revolution was guided by certain very clear and very definite principles, which involved the general expropriation of the holders of social wealth, the seizure by the workers of the organisational structures of production and distribution, the direct administration of public services, the establishment of the libertarian communist principle. But the uniformity of these principles did not prevent a diversity in the methods for their application, so much so that one can talk of 'diversity within unity' and of a surprisingly diversified federalism.

In a very short time, in the agrarian regions and especially in Aragon, a new organism appeared: the collective. Nobody had spoken about it before. The three instruments of social reconstruction foreseen

among those libertarians who had expressed themselves on a possible future were firstly the syndicate, then the cooperative – which did not win many supporters – and finally, on a rather large scale, the commune or communal organisation. Some foreshadowed – and this writer was among them – that a new and complementary organism could and should appear, especially in the countryside, seeing that the syndicate had not assumed the importance it had in the towns and the kind of life, of work and production, did not fit into an organic monolithic structure which was contrary to the multiformity of daily life.

We have seen how that collective was born with characteristics of its own. It is not the syndicate, for it encompasses all those who wish to join it whether they are producers in the classic economic sense or not. Then it brings them together at the complete human individual level and not just at a craft level. Within it, from the first moment, the rights and duties are the same for everybody; there are no longer professional categories in mutual opposition making the producers into privileged consumers compared with those, such as housewives, who are not producers in the classical definition of the word.

Neither is the collective the municipal council or what is called the commune, the municipality. For it parts company with the political party traditions on which the commune is normally based. It encompasses at the same time the syndicate and municipal functions. It is all-embracing. Each of its activities is organised within its organism, and the whole population takes part in its management, whether it is a question of a policy for agriculture, for the creation of new industries, for social solidarity, medical service or public education. In this general activity the collective brings each and everybody to an awareness of life in the round, and everyone to the practical necessity of mutual understanding.

Compared with the collective the syndicate has simply a secondary or subordinate role. It is striking to observe how in the agricultural districts it was more often than not spontaneously relegated, almost forgotten, in spite of the efforts that the libertarian-syndicalists and the anarcho-syndicalists had previously made. The collective replaced them. The word itself was born spontaneously and spread into all the regions of Spain where the agrarian revolution had been brought about. And the word 'collectivist' was adopted just as quickly and spread with the same spontaneity.

One could advance the hypothesis that these two words – collective and collectivism – better expressed the people's moral, human,

fraternal feelings than did the terms syndicates and syndicalism. A question of euphony perhaps, and of a breadth of views, of humanism: man as something more than the producer. The need for syndicates no longer exists when there are no more employers.

If we pass from Aragon to the Levante we see collectives emerging there too but not as such a spontaneous, one might almost say instant, creation. It was the agricultural and sometimes the non-agricultural syndicates which were there at the beginning, not to found other syndicates, and this is most significant, but *to found collectives*. And those who joined these collectives, often without belonging to the syndicates, were also collectivists and acted and behaved as well as anybody else. Let us hasten to add that the groups of organisers often consisted of men who had until then been active in the syndicates or even in libertarian groups.

But there were some cases where the commune fulfilled the role of the collective. Among the examples we have given one especially recalls Granollers, Hospitalet, Fraga, Binefar and many places in Castile. We also find municipalities which had been reconstructed to conform with governmental decisions (January 1937) and had, as a result, played a more or less important, more or less subordinate, role; and in the Levante the syndicate and the collective in the end linked their activities. But in that region the role of the syndicate was often to become more important, both through direct participation and as inspirer and guide, which it was not in Aragon.

Finally we see in Castile the collectives being started in large numbers under the impulse of militant workers and even intellectuals who left Madrid and spread out into the countryside.

This plasticity, this variety of ways of acting allowed for the creation of true socialism, in each place according to the situation, circumstances of time and place and for the resolution of a great number of problems which an authoritarian concept, too rigid, too bureaucratic, would have only made more complicated with in the end a dictatorship reducing everything to a uniform pattern. The variety of methods used reflected the variety of the facets of life. Often in the same region, villages with similar forms of production, with a somewhat similar social history, would start by socialising the local industries and end with agriculture, while others would start with the socialisation of agriculture and end with that of local industries. In some cases, in the Levante for instance, we have seen it start with distribution then proceed towards socialisation of production, which was the opposite procedure to most other places.

But it is remarkable that this diversity of organisational structures did not prevent membership of the same regional federations nor, through them, national coordination, practical solidarity, whether it concerned our collectives, mixed syndical collectives or communities at different stages of municipalisation.

* * *

The general law was universal solidarity. We have underlined, in passing, that the charters or statutes in which the principles were defined and from which stemmed the practical attitude of each and all, made no mention of the rights and liberty of the individual. Not that the collectives had ignored these rights, but simply because the respect of these rights went without saying and that they were already recognised by the standard of life guaranteed by everybody in their access to consumer goods, to well-being and culture, to the attention, consideration and *human responsibilities* of which each one, as a member of the collective, was assured. It was known, so why mention it? In return, for this to be possible, everyone had to carry out his duty, do his work like the other comrades, show solidarity according to the ethic of a universal mutual aid.

One was the guarantee of the other. It is for this reason we so often read that the same sentence in the charters though there had been no previous discussion between collectives hundreds of kilometres apart: 'Anyone not having any work in his trade will help comrades in other activities who might need his help'. This was supra-professional solidarity in practice.

Going deeply into these matters it could perhaps be said that they were developing a new concept of liberty. In the village collectives in their natural state and in the small towns, where everybody knew one another and were interdependent, liberty did not consist in being a parasite and not interesting oneself in anything. Liberty only existed as a function of practical activity. *To be is to do*, Bakunin wrote. To be is to *realise*, voluntarily. Liberty is secured not only when one demands the rights of the 'self' against others, but when it is a natural consequence of solidarity. Men who are interdependent feel free among themselves and naturally respect each other's liberty. Furthermore, so far as collective life is concerned, the freedom of each is the right to participate spontaneously with one's thought, one's heart, one's will, one's initiative to the full extent of one's capacities. A negative liberty is not liberty: it is nothingness.

This concept of liberty gave rise to a new morality – unless it was

this new ethic that gave rise to another concept of liberty. It explains why, when the author sought information about changes and improvements introduced in the lives of everyone, they did not speak of 'liberty' though they were libertarians but, and they did so with deep joy, of the results of their work, experiments and research on which they were engaged; on the increase in production. No, they were no longer thinking of liberty in the way workers in capitalist factories or day workers on the land of the owner-employers think.

* * *

On this subject we would like to make an observation to which we attach great philosophical and practical importance. The theoreticians and partisans of the liberal economy affirm that competition stimulates initiative and consequently the creative spirit and invention without which it remains dormant. Numerous observations made by the writer in the collectives, factories and socialised workshops permit him to take quite the opposite view. For in a collective, in a grouping where each individual is stimulated by the wish to be of service to his fellow beings, research, the desire for technical perfection and so on are also stimulated.⁵ But they also have as a consequence that other individuals join those who were the first to get together. Furthermore when, in present society, an individualist inventor discovers something, it is used only by the capitalist or the individual employing him, whereas in the case of an inventor living in the community not only is his discovery taken up and developed by others but is immediately applied for the common good. I am convinced that this superiority would very soon manifest itself in a socialised society.

* * *

Lenin, in his report on the Russian situation to the 11th Congress of the Communist Party held in March 1922, declared: 'The idea of constructing a communist society with only the help of the communists is nonsense, pure nonsense. Building the economy must be left to others, to the bourgeoisie which is much more educated, or to intellectuals in the bourgeois camp. We ourselves are not yet sufficiently educated for that'.

It is true that Lenin spoke in this way then⁶ to justify the NEP (New Economic Policy) which consisted in allowing free enterprise to the bourgeois and technicians of the bourgeoisie still remaining in Russia, in order to get production, which had virtually come to a standstill as

a result of the destructive and paralysing action of the state, back on its feet. From 1920, rather than allow the workers and their organisations (the development of which would become an embarrassment to the communist governments) to participate actively in a renewal of the economy, Lenin preferred to make use of his class enemies.⁷ But such was the situation that, at the end of four and a half years, he was obliged to have recourse to this ... heroic remedy!

Furthermore if we analyse certain aspects of the present Russian economy, at least at what is more or less verifiable, we note for example an extraordinary backwardness in agriculture. More than 25 years ago Stalin was promising, and his successors continue to promise the people 'free bread', a slogan with which the French, Italian and Spanish communists hoax their supporters. But free bread (the consumption of which, in the capitalist countries, is decreasing anyway and would not represent such an extraordinary conquest) is still only *the bait which hides the hook*.

Another more convincing and important fact is that 45% of the population is actively engaged in the countryside in Russia. In the United States it is 6% and in France 20%. This demonstrates the technical deficiencies of the Russian Communist agrarian organisation, a deficiency which has to be made up by human labour, in spite of the technical progress that has been proclaimed *urbi et orbi* for the past forty years.

And this is not the most important fact. We are now further from communism than we were in 1917. For communism implies economic equality. But whereas we have seen this equality being established *from the beginning of the constitution of the Spanish Libertarian Collectives*, it is not even any longer a hopeful promise for the men and women land workers grouped in the *Kolkhozes* and *Sovkhozes*, the collective organisations born of the regime referred to – derisively – as communist.

For there are fundamental differences between these organisations and the agrarian collectives in Spain. The *Kolkhozes* and *Sovkhozes* were created by the state, by state bureaucracy. Producers and ordinary inhabitants live there under the orders of a class of functionaries and technicians who plan, decide, dictate orders as to what must be done or not done according to instructions received from the various ministries. This class, in turn, is controlled by the communist cell, which at the same time controls all the members of the community including the tractor drivers, the employees of the machine depots, nurses and teachers. Most women have to do the

heaviest work (driving tractors and machinery, road maintenance work, etc.). So much so that the women in the *Kolkhoz*, deformed in the course of a life of hard labour, give the visitor the impression of a rough coarse creature who has lost all traces of femininity.

Piecework was widespread in the *Kolkhozes* and *Sovkhozes* (we do not believe it has been abolished in the recent past) and the wage categories, as well as the 'norms' to achieve, were arbitrarily fixed by the leaders of each production cell. And let us not forget that all this exists after fifty years of a regime said to be communist.

Now, nothing similar occurred in the Spanish collectives where everybody took part in the assemblies, could say what they liked to anyone without fear of reprisals.

In Russia the privileged classes seem to be irremediably established, for they are encrusted in the state, they *are* the state, and castes of the state created by the state. Proofs abound.

Thus the Moscow review *Partiinaia Jizn* (The Life of the Party) gave the following figures for 1964: 37.3% of the Russian Communist Party's members were workers, 16.5% were peasants (bear in mind that the latter represent 45% of the population). Out of 11,758,169 members 5,408,000 were technocrats, bureaucrats and other members of the 'intelligentsia', the latter category constituting, thanks to its superior education, the 'new privileged class' with their cars, their 'dachas' (country houses), their domestics, their military orderlies, their fine apartments and pleasant holidays on the shores of the Black Sea.

The contrast between the regime founded by so-called state communism, which was no other than state capitalism, and that founded by the Spanish Revolution was absolute, and it was one of the reasons why the Spanish communists and their masters combated – and both continue to do so implacably – our constructive achievement.

Furthermore in Spain industrial production was maintained at a high degree of productivity so long as there was no shortage of raw materials and power. Whereas in the USSR where these (iron, coal, oil, cotton, wool) could be produced in the country itself, especially in the south, they were in short supply even in the areas where they were produced, due to disorganisation caused by the regime itself, and this continued even when the civil war ended in 1921.

Kruschev's skilful propaganda put the blame for the non-development of Russian industry onto the Tsarist regime, and for their setbacks on the consequences of the international and civil war.

Well, that was not the reason! Even if one takes account of the ravages of war in all its manifestations, in the last analysis it was the regime that sprang from the Bolshevik Revolution that itself undertook to transform the partial paralysis into a general paralysis. 'At the time of the census of 28th August 1920, there were 37,226 industrial enterprises belonging to the state and employing almost two million workers', wrote the economist Serge Procopovicz in his monumental *Economic History of the USSR*. He continued by pointing out that 'on the 1st September of the same year, that is two months after the census was taken, only 6,508 undertakings employing 1,300,000 workers were shown in the records of the Superior Council of the National Economy'.

What do these figures mean? That actuated by its domineering will, the state was causing the disappearance of a great number of undertakings at a giddy rate, by a systematic centralisation or by the cutting off of supplies of raw materials or power. It was not the only reason. The seizure of the management of work by the functionaries spread like a cancer, or a swelling of cancers.⁸ On the eve of the revolution there were in Russia 65 blast-furnaces which produced, in 1912, 5,200,000 tons of steel (France produced in the same year 4,207,000). At the time of the revolution half the blast-furnaces were still operating but in 1922, the year when Lenin uttered the words we have quoted, steel production had dropped to 255,000 tons.

Once again the explanation for this vertical drop is in the first place due to statism pushed to its limits by the Bolshevik government, which eliminated the able employers (there were some, there are some everywhere) and the technicians who had to be replaced by bringing in others from Germany and the United States at the time of the world economic crisis.

Another cause of this extraordinary setback was the resistance shown by the personnel in the factories who, from 1918 – that is nine months after the Bolsheviks had seized power – began to protest against the introduction of police methods by the party in power, which most of the workers opposed,⁹ and against the stifling of workers' freedom in the factories. The apologists would say that these workers were worked on by the Mensheviks and counter-revolutionaries. Well, read what Kirov, one of the outstanding members of the Communist Party, wrote at the beginning of 1919:

All the work of organising the economic life of the country has been done, so far, with the direct participation of the unions and the representatives of the

working masses. The unions and factory workers delegate conferences in certain industrial branches have been the principal and only laboratories in which the economic organisational services of Russia were formed, and are still formed.

A situation comparable to that in Spain, but whereas in Spain the prime-movers of the revolution enlarged and perfected this workers' management which gave the kind of results we have seen (bearing in mind the difficulties due to a growing shortage of raw materials and power, opposition by the political parties, food shortages at a certain stage due to the occupation of food-growing areas by Franco's armies), in Russia Lenin, who rectified and changed his opinions at each congress, decided that the management of production had to be taken over by the bourgeoisie in order to remedy the paralysis he criticised yet which he continually strengthened. Stalin's monstrous dictatorship, which was the blossoming of that set up by Lenin, was needed to incorporate into this system, at the price of millions of lives, an economy which would have built itself without dictatorship if state worship had not annihilated everything.

If we seek to establish the difference between the Russo-Bolshevik revolution and the Spanish revolution, we can summarise it, so far as production and economic life as a whole are concerned, as follows:

In Russia after the seizure of power by the Bolsheviks who imposed their dictatorship and set about governing through the state, everything continued to crumble for years both in agriculture and industry as well as in the public services, to the point of dragging from Lenin's lips the admission we have quoted and obliging him to drop socialism completely and have recourse to the New Economic Policy as a result of which the economy was on the road to recovery until the years 1926-27. Stalin continued along those lines after eliminating those to whom Lenin had had recourse.

In Spain except in those cases where raw materials were soon in short supply, agrarian and industrial production did not suffer interruptions, apart from the few days following the euphoria of the successes of 19th July, but even that was not general. Factories, workshops, transport, public services were rapidly set in motion, except for the building industry in Barcelona, the financial mechanism of which is always unusual.¹⁰

There is no doubt that had Franco been defeated the economy would have passed more or less entirely into the hands of the workers, and that our syndicates would have developed it rapidly with

technicians of all kinds, engineers and architects already in their organisation or who had recently joined in sufficiently large numbers. Thanks also to the organising contribution of tens of thousands of libertarian militants¹¹ who not only had a working knowledge of the problems of labour, production, the various operations of the different trades in a workshop, factory, railway network, but also how the different wheels of the economy in general were geared up and operated.

On the other hand this preparation was completely lacking so far as the majority of the 240,000 members of the Bolshevik Party¹² were concerned and with whom Lenin thought (in September 1917, in a pamphlet reserved for his intimates) he could seize power and maintain it. In general, his professional revolutionaries were not labour professionals. This equally applied to the overwhelming majority of bureaucrats who belonged to the left wing social democrats, who had become communists and who were completely ignorant of the workings of a factory or of a workshop, of production and its multi-directional relations, coordination between industrial sectors, geographically scattered or concentrated.

Lenin wanted top men who would manage production under instruction from the party and the resolutions of the party congresses. Politics first, even in the name of the materialist or economic interpretation of history. In that policy were included instructions for the conduct of work and of the workers. Socialism was above all a question of authority. And it remained so. For us it was a question of the organisation of work by the workers, manual and intellectual, and it remained so.

* * *

While praising and proclaiming the constructive achievements of the Spanish libertarian revolution, this writer recognises that it was not without its failures nor was it perfect. We have stated the objective reasons: the war which largely dominated events as a whole; the inevitable survival of the political parties and social classes attached to a society with traditional classes, and the many-sided hostility of Spanish and international Stalinism directed by Moscow.

But there were also subjective reasons. In the first place if the constructive apparatus was, so far as its technical preparation was concerned, superior by far to what it had been in all previous revolutions, it was also, in our view, insufficiently developed. The reason, and still from a subjective point of view, was twofold: on the

one hand the struggles waged for 66 years (which we have sketched in the chapter 'The Men and the Struggles') because they were so time-consuming, absorbing forces and energies, prevented the organisation from moving further forward. For this would have required much more thought, which our rank-and-file militants, who were also struggling against poverty and hunger and often lacked a sufficient intellectual preparation, could not undertake. On the other hand, demagogic elements in our movement who exercised a negative, anti-syndicalist and anti-organisational influence which had to be combated, contributed, as we have already pointed out, to slowing down the constitution of the federations of industry, the existence of which would have made it possible to syndicalise production more quickly and more completely, and, above all, the organisation of distribution.

It is true that no social – nor even political – revolution has ever been prepared beforehand in every detail so far as the positive achievements are concerned, and we can in the circumstances feel proud of the bases that were established before 1936. Nevertheless we have the right and even the duty to judge ourselves with severity and to recognise our weaknesses, our errors or failings. We would have been more successful if our movement had done more towards that economic and technical preparation. That the others did much less, or nothing at all, and still do not in this age when so many intellectuals, lacking intelligence and with utter irresponsibility, publicly lay claim to a revolution about which they haven't the slightest constructive thought, does nothing to help. Proudhon, Bakunin and Kropotkin, the greatest theoreticians of libertarian socialism, always recommended, especially Proudhon and Bakunin, that this preparation of revolutionary construction should be as advanced as possible. This was in violent contrast to the inexplicable Marxist incomprehension, as evidenced not only in the writings of Marx¹³ but also of Kautsky and even Rosa Luxemburg, which always, in the name of so-called 'scientific' socialism, combated all anticipation concerning the post-revolutionary society. One can now see where it has led those countries euphemistically called 'popular democracies'.

Without organic preparation no social and truly socialist revolution is possible. The chances of success depend on the extent of the pre-existing constructive capacity. But this does not mean that the preparation should be only intellectual and technical. It must be, above all, moral, for the degree of specialised intellectuality and technicality achieved depends on the degree of consciousness which

creates the sense of duty, imposing the acquisition of the required disciplines. It is above all this awareness of their responsibilities that predominated among the Spanish anarchists, influenced their struggles, their individual behaviour, their propaganda among, and organisation of, the workers in the countryside and in the towns, and their invincible persistence in the struggle waged for a better world and a happier mankind. Without these qualities all the intelligence and techniques in the world would not have been of much use.

Our constructive revolutionary achievement was destroyed by the Francoist victory and by the sabotage and betrayal of Stalin and his agents. But it remains in history as an example and a proof that it is possible to avoid the dictatorial stages when the capacity to organise the new society quickly is present; and dispense with the so-called dictatorship of the proletariat, or more exactly the revolutionary party usurping the representation or delegation of the proletariat which those drunk with power – their power to which the people must bow – persist in wanting to impose on us under pain of massacring us as counter-revolutionaries. Just as in their time Marx and Blanqui, and more recently Lenin and his henchmen and all dictatorial maniacs, they have not the faintest idea of how to re-organise social life after capitalism. But just as Lenin did, they would very quickly organise a police force, a censorship, and in due course concentration camps.

A new way has been indicated, an achievement which emerges as a beacon light of which all revolutionaries who seek mankind's emancipation and not its subjection to a new slavery will have to follow. If they do, yesterday's defeat will be largely compensated for by tomorrow's victories.

Notes

1. It was on this occasion that the UHP, Union Hermanos Proletarios (Union of Proletarian Brothers), was constituted.
2. Such is the case of the Russian Revolution which might not have been crushed in view of the immensity of the country, itself the cause of Napoleon's defeat. As to the Cuban Revolution, if its sycophants observed things more closely instead of being tricked by the magic of words, they would see that it has implanted a new form of totalitarianism by setting up a regime which is only socialist in name and which deflected it from the promising road – we are not saying of integral socialism – that it had taken on the morrow of Battista's overthrow.
3. Proudhon also rejected the armed revolution and wrote to Marx, 'Our proletarians are so thirsting for science that we would be badly received by them if all we could offer them to drink was blood'.
4. Their agrarian reform was like giving a few grains of millet to a starving eagle.

-
5. We would remind the reader of the 900 new models of shoes in Elda, the new funicular design in Barcelona, the new transport lines, etc.
 6. He had expressed similar views in 1920.
 7. The party faction called 'Workers' Opposition', of which Alexandra Kollontai and Chlapnikof were the leaders, demanded in vain the participation of workers' syndicates in the building of the economy. She was persecuted.
 8. At the time of our stay in Moscow in 1921 Kamanev declared at a meeting of the Pan-Russian Railway Committee: 'There were 250,000 state employers under Tsarism for the whole of Russia. Today there are 240,000 in Moscow alone'.
 9. This discontent came from the fact that at the time of the elections for the Constituent Assembly (in January 1918) the Communist Party had only obtained 25% of the votes, that is ten million; and the revolutionary socialists 50% or twenty million; seeing which the Bolsheviks closed down the Assembly and started to persecute all those who did not accept their dictatorship.
 10. The Catalan government paid the wages as the syndicate had no money. It resulted in stagnation in the building industry.
 11. We should recall that at the beginning of 1936 we had 30,000 comrades in prison.
 12. Figures given by Lenin, which cannot be checked.
 13. Marx wittily poked fun at 'the recipes for the casseroles of the future society' and his international disciples naturally fell into step.

Colin Ward

Learning about LETS

Ruth is attractive, intelligent and articulate and has two little daughters. So it is inevitable that when one of the posh papers decides to have a feature on LETS (Local Exchange Trading Systems), she's the member the journalists and photographers take on an expense-paid trip to Devon to interview. She always protests that she isn't the best person for them to talk to but, to my mind, always says just the right things.

Some friend or other can always be relied upon to send us the press cuttings for our notional family album, so I have the impression that every reader must have learned about LETS schemes and has formulated an opinion, finding them either relevant or irrelevant to our society at the end of the twentieth century.

For anyone who has managed *not* to encounter the LETS idea I should explain that it is a way of overcoming your lack of money without the inevitable incompatibilities of barter. Ever since Robert Owen or Proudhon, people have been inventing alternatives to cash; and the lesson of the failure of them all is that, to have the slightest chance of being useful, they should be local, mutual, voluntary and, above all, simple.

A LETS system is a group of people agreeing to acquire or sell goods and services using a notional currency instead of the equivalent in 'real' money. In Totnes the unit is called *Acorns*, in Gloucestershire *Strouds*, and in West Wiltshire *Links*. The more local members there are, and the more everyday essentials can be bought in this notional currency, the more obviously useful it is outside the narrow field of ideologists like me. In other words, members are more likely to need car repairs and plumbing jobs than architectural services or psychotherapy.

Members of a LETS group usually buy a cheque-book in the notional currency for a sum to cover overheads. Some member of the core group is bound to have access to a computer to record deals far more quickly and cheaply than the double-entry book-keeping that would have made recording all these little transactions such a pain in the past. Four years ago, when I met Sarah Strong, a member of the core group in Totnes, she was eloquent about the reasons why the

LETS idea had spread to Britain from the Canadian province of British Columbia.

'Because of the uneven distribution of sterling', she said, 'money no longer does what it was intended to do'. And as the retail trade knows all too well, there is a surplus of goods that we haven't the purchasing power to acquire. The paradox is that 'poor communities are full of people with skills and energy to sell, and no one is buying'. The Totnes LETS had 100 members then, and I learn from the latest interview with Ruth that there are now over 250, while I continually hear about the spread of the idea from the south-west across the country. In my own patch of East Anglia, for example, I learn from the December 1995 issue of *Suffolk Scene* from Suffolk ACRE (Action with Communities in Rural England) that there are by now five schemes up and running in Suffolk: Gipping Valley (Needham Market and Creeting St Mary area), Stonham Parva (Stowmarket area), Halesworth and District, Bury St Edmunds and Lowestoft (for information contact Julian Munson, Suffolk ACRE, tel: 01473 264595).

There is also a national contact organisation called LetsLink UK, which publishes a quarterly newsletter and a £6.25 starter pack. Its address is LetsLink UK, 61 Woodcock Road, Warminster, Wiltshire BA12 9DH, tel/fax: 01985 217871).

And LETS people tell me that the ideal book covering all our questions about LETS, including the attitude of the Inland Revenue (which insists that payment in kind is taxable) and the Department of Social Security with its minimum earnings rule, has already appeared. It is *LETS Work: Rebuilding the Local Economy* by Peter Lang (Grover Books, 10-12 Picton Street, Bristol BS6 5QA, £8.99). Someone has borrowed the editor's copy of this book, but I have, as usual, a copy of Peter Lang's interview with Ruth. It illustrates the inter-linking of the formal and the informal local economy:

Every week in a Totnes hall, the tables groan with a mixture of foods and produce made by LETS members. All are available for Acorns, and the 'trading post' (as it is called) is held in the centre of town on market day. The event was started by a member as a way of allowing members to sell food on a regular basis and it has rapidly established itself as the place to buy wholesome home-made food as part of the weekly shopping trip.

The sterling costs of the project (mainly paying for the hall) are met by a wise tie-up with a local commercial vegetable grower. The grower sells boxes of vegetables (for pounds) as part of a Community Supported Agriculture scheme. Under this scheme customers agree to buy a box of vegetables each week, the exact mix of vegetables being dependent on the season; the

customer agrees to take pot-luck. The CSA scheme needed a drop-off point in town for customers to collect the boxes, and they supply a free box to Ruth who sells it for pounds to pay for the hall. The LETS trading rides on the back of this deal, which also brings in people collecting their vegetables.

Ruth runs the market with help from a couple of other members, so the people making the food can merely drop off their wares before the market opens and collect anything unsold at the end of the day – they don't need to be present the whole time. After four months, the market was turning over nearly 200 units each week in a varying mixture of pounds and Acorns.

The project was pump-primed by the LETS system account which granted 350 Acorns to Ruth to pay those running the market. 'The customers are running ahead of the suppliers', says Ruth, 'We are swept clear in just over three hours'. Sellers charge a mix of Acorns or pounds as they want, and Ruth maintains a transactions sheet where buyers sign for the LETS element of what they are buying and the sheet shows what has been sold and who has earned what. At the end of the day she gives a statement to the LETS account administrator who brings members' accounts up to date.

Ruth is adamant that she is not running a shop: she says that shops are predictable places with predictable stocks. In the trading post there is an ever-changing range of goods. People are encouraged to join LETS as they see the quality of food they can buy once they are members. And the lesson that demand outstrips supply is especially significant since Totnes is a town of high unemployment ...

She is also adamant that all those feature writers from the finance pages of *The Guardian* or from the *Telegraph Magazine* could find a more typical LETS member to interview. Can't you imagine the superior smile of affluent readers when they hear that the services she sells for Acorns include 'teaching the recorder, German lessons, instruction in yoghurt-making and teaching people to spin on her wheel'. Or that among her Acorn purchases have been ante-natal classes and birthing equipment before her second baby was born, high quality reusable nappies afterwards, childcare for her three-year-old, haircuts, and the hire of a car which she and Tom used for family outings.

It is hard to persuade people whose view of economics is shaped around considerations of production and consumption and Gross Domestic Product, to grasp that these little local services, taken for granted by the better-off, have a monetary value of several hundred pounds which would have been beyond the reach of low-income families like hers, but for the existence of LETS.

She invariably explains to the press that while friends and neighbours have always had an informal network of reciprocal mutual aid:

... organisation is necessary if it is to work on a more comprehensive scale. So there is an office with a computer that, for a small fee, registers members with what they have on offer and handles their Acorn accounts. The Acorns have no monetary value. You can't exchange them for cash, but because we are so trained to think in terms of getting something back for what we do, they have a symbolic meaning. It is easier to ring somebody up and say 'Will you come over and paint my house?' if you can offer them Acorns that will go into their account and show that they are doing their bit within the scheme.

And she explained to Angela Neustatter her belief that:

As a member of an organisation that you all belong to and believe in, it is much easier to ring someone and ask them to look after your child or fix your boiler than it would be if you were just asking a favour. And nobody checks that you put in absolutely the same as you take out. But if somebody really got into debt – using lots of services and not trading themselves – they might well get dropped. Before that happened, though, they would probably be asked if they had a problem earning Acorns, or if they had been ill and needed help.

She doesn't enjoy being the automatic LETS interviewee, because she is aware that the social issues raised by the collapse of employment are far wider than Totnes. I'm inclined to congratulate Lorna Russell of the magazine *Squall* (subtitled *necessity breeds ingenuity*) for not travelling down to Devon. Simon Lukes of Hackney LETS explained to her that:

People who have worked all their lives are often unable to cope with being made unemployed. If they've been an electrician for thirty years and they suddenly find themselves out of work they're unlikely ever to get that status back. LETS *can* offer them an alternative outlook; something else in their lives.

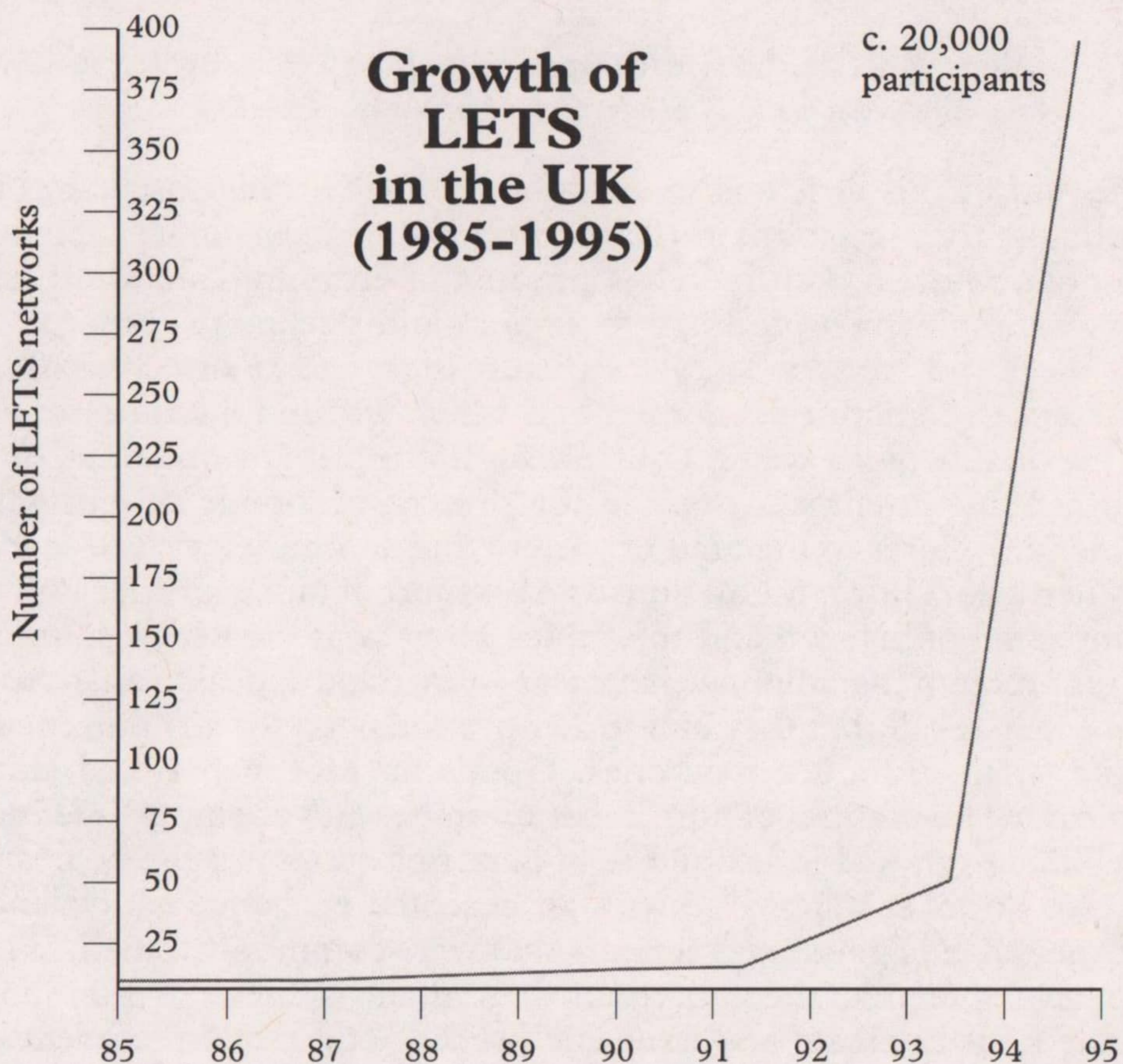
Liz Shephard of LetsLink told her that she guessed that nearly a quarter of the people involved in LETS are unemployed, and Jilly Clarke who belongs to two LETS schemes in North London reckoned that there the figure was more than half. And in Manchester, Lorna Russell talked about LETS with Siobhan Harpur, coordinator of Lets Solutions, who explained how:

In Moss Side, where unemployment among 19-25 year olds is reaching 90%, they are working with a black business network to build up black enterprise. 'This way', says Siobhan, 'some of the "money" stays local, enabling the community to revitalise their economy. They can hold on to the possibility of sustainability; money flowing locally keeps trade going locally'. Altogether, there are 85 businesses in Manchester who will do part of their trading

through LETS, including solicitors, a taxi firm and a garden centre. Siobhan says they are also hoping to establish a shared work centre, perhaps with a small business start-up scheme which would enable people to begin their own business without building up massive debts.

It has always seemed important to me for anarchists to stress those aspects of economic life that fall outside the officially-measured economy of large-scale capitalism and the stock exchange (see, for example, 'Anarchism and the Informal Economy' in *The Raven* No. 1, 1987, and 'A Few Italian Lessons' in *The Raven* No. 7, 1989).

From this standpoint, that of *Bringing the Economy Home from the Market*, to borrow the title of a Canadian book on this theme by Ross Dobson (available here from Jon Carpenter Publishing, PO Box 129, Oxford OX1 4PH at £12.99), LETS is an important learning experience for the rapidly growing number of citizens involved.



Harold Sculthorpe

LETS: Local Exchange and Trading Schemes

... all the same materials, all the same factories, all the same farms, all the same people, all the same skills were still available and all still in place. There were stockpiles of food and goods and raw materials available. But the economy was paralysed because there was no money. To say that people cannot exchange value with one another because there is no money is like saying you cannot build a house because you have no feet and inches.

– Allan Watts on the Great Depression of the 1930s, quoted in *Bringing the Economy Home from the Market* by Ross Dobson

The aim of this article is to examine the LETS philosophy and in particular try to establish its relationship to the international capitalist economic system. Is it merely a product of economic recession and high unemployment doomed to expand and decline in response to the local and worldwide cycles of recession and boom, which are inherent in capitalist economies and which we are told are essential to the quality of life we find ourselves suffering at any one time, or is it a genuine attempt to replace the present economic system with something closer to the kind of society that anarchists wish to see?

When Paul Glover found himself a bit short of money he decided to print some of his own and the 'Ithica Hour' was created, a solution to his problem that might well have an immediate appeal to anarchists until they recall that they aim to remove the need for any currencies rather than introduce new ones. Goods have been bartered since almost the beginnings of human communities and attempts to reduce the limitations and inflexibilities of bartering systems must be nearly as old. So tokens appeared with an accepted exchange equivalence for the range of goods and services that were commonly traded. With the development of the nation state it gradually achieved a monopoly of the right to create and issue such tokens and modern currencies were born. This right to mint and print money became a jealously

guarded prerogative of the state alongside its monopoly of the right to kill and to raise taxes.

The Bank Charter Act of 1844, section 10, states 'No person other than a banker who on the sixth day of May, one thousand eight hundred and forty four, was lawfully issuing his own bank notes shall make or issue bank notes in any part of the United Kingdom' and section 11 states 'It shall not be lawful for any banker to draw, accept, make or issue in England or Wales, any bill or exchange or promissory note or engagement for the payment of money payment to bearer on demand...' The state had claimed the right to be, through the banks, the sole provider of the means of exchange.

Money as a commodity economy

In contemporary society, money has become much more than a convenient measure of work done in the production of goods and services. It has itself become a commodity with a value related to its scarcity. Governments who create it continually wrestle with the problem of how to adjust its supply. Too much for the exchange and trading needs of the community diminishes its value and causes inflation, too little stifles trade for lack of the means of exchange and leads to an economic depression. As a commodity it can and does go anywhere in the world to where it gets the best return, so it tends to drain out of those communities that are most in need of it. Large amounts are gained or lost by individuals and institutions without any work being done or any goods exchanged, i.e. any real wealth being produced. The end result of all this is a capitalist system subject, both locally and world wide, to periodic booms and slumps with many people reduced to extreme poverty at frequent intervals. Inequalities are developed and perpetuated.

Money as a means of exchange economy

Many schemes designed to side-step the state as the monopoly provider of the means of exchange have been documented from the nineteenth century onwards.. These, quite widespread in the 1930s, particularly in the USA, were disrupted by the second world war but reappeared in the 1970s. In the USA, where tax restrictions make it difficult to operate straightforward barter schemes, there are now a number of alternative money schemes in use, based on the time involved in carrying out the service or producing the goods. Paul

Glover's 'Ithica Hours' which he started in Ithica, New York State, have spread to about 18 cities. Edgar Cohn, a Washington lawyer, introduced 'Time Dollars' originally as a way to give some economic power to old people, and there are now 'Time Dollars' systems operating in about 38 cities. These currencies are said to survive because they are partially integrated into the main stream economy, each Hour being equivalent to \$10 and as such can be converted into dollars at some banks. It seems doubtful whether such schemes represent any kind of a challenge to the capitalist system and they could lead to a second class economy for the under-privileged. In Britain the best example of an alternative money scheme comes from the nineteenth century. This was the plan by Robert Owen, socialist and philanthropic factory owner, to pay workers in his New Lanark mills in Scotland according to the value of labour expended in the production process. Unfortunately his Labour Notes could only be exchanged for goods in the shops owned by Robert Owen, thus enmeshing the worker in a system akin to serfdom. Not surprisingly the Trade Union movement of the time was not interested in this approach and preferred to concentrate on increasing the wages of workers in the traditional coin of the realm.

The no money economy

The most recent and successful scheme to avoid the disadvantages of the use of state currencies was developed in Canada's Comox valley, British Columbia, by a group of people who introduced in 1983 a flexible bartering system known originally as the Local Employment and Trading System but which is now generally known as the Local Exchange and Trading System, or LETS. The original idea is ascribed to Michael Linton who is certainly now the best known proponent of the idea and who founded Landsman Community Services Ltd to initiate special projects and promote LETS systems worldwide. There has been a phenomenal increase in LETS groups and they now function in Australia, Canada, New Zealand and sixteen European countries, and a few in the USA. Since the first scheme was established, in Norwich in 1985, the most rapid expansion has been in Britain. Although five years later there were only five groups functioning, by 1993 there were 45 involving some 4,000 people and in 1995 this had expanded to about 350 groups involving a total of about 50,000 people. Although such an exponential rate of growth cannot continue for long, it has been described as the most powerful

social and economic development of our time. It is however with mixed feelings that one has also to add that the *Mail on Sunday* concurs with this view, having described LETS as being 'so simple yet so revolutionary that it is bound to sweep the country'. Regrettably, most media comment seems more interested in the sometimes arcane names individual groups give to their units than with the economic significance of the movement.

How LETS Works

Many readers will be familiar with such schemes or be members, and may choose to omit this section. But for others, it is essential to the arguments involved that readers know the principles on which LETS is based and how the day to day running is achieved.

A LETS system as described by Michael Linton is one in which people create their own money and is defined by the following five criteria:

1. It is non-profit making.
2. There is no compulsion to trade.
3. Information about balances is available to all members.
4. The LETS unit is equal in value to the national currency.
5. No interest is charged or paid.

It works like this. A number of people get together to form an association. They create a unit of exchange, choose a name for it and offer each other goods and services priced in these units. These offers and wants are listed in a directory which is circulated periodically to members. Members decide who they wish to trade with and how much trading they want to do. Activity within the system starts when a member contacts another member who is offering goods or services they want. When the transaction is completed, this is acknowledged with a 'cheque' made out by the buyer and given to the seller. These are passed to an accounts administrator who keeps a record of all transactions and periodically sends members a statement of their accounts.

The system only works if members are willing to spend: it runs on trust and trust builds up as the system is used. Members are then not so much going into debt as committing themselves to do some work within the system in the future. By doing this they are creating spending power. The willingness of members to incur such a commitment could be described as a service to the community as others are free to use the units so created to trade themselves. The number of

units in existence exactly matches the amount of real wealth being exchanged. The minus and plus balances always add up to zero, but a lot of trading has been done. The power and influence of the banks has been rendered redundant as they have no function within the system.

Administration is kept as simple as possible. The members collectively appoint two or three people to run the scheme on a day to day basis. This involves keeping a record of members' transactions, for which a computer is obviously useful, and preparing and circulating, say every two months, the directory and the statement of accounts. There is usually a separate advisory group which oversees and advises the administration group, liaises between administrators and members when necessary and helps members who may have proposals, advice or complaints. There needs also to be an arbitration group to ensure that the administrators remain accountable to the members and to adjudicate in case of disputes between members or between members and administrators. None of these groups need be larger than two or three people. Communication between members usually has to be by phone but those without can usually use the phone of a nearby member. Obviously this is not a complete account of how a LETS system works, and for a full explanation and much more you are referred to *Lets Work* by Peter Lang.

Is LETS useful? Many members appreciate the social network that is created by group membership apart from any trading that they may do. Although a wide range of goods and services are on offer they are not sufficient to enable anyone to opt out of the mainstream economy. For instance, mains gas, electricity, and water are unlikely to become available in the foreseeable future, and more surprisingly, apart from bread and cakes, food is not much on offer in most groups. One would think that there is obvious opportunity for small scale organic farmers, allotment holders and gardeners to supply produce surplus to their needs. For producers in general there are at present often some unavoidable sterling costs, but this can be coped with by having a small cash component in the price.

LETS and the law. In legal jargon, LETS is an unincorporated society, having the status of a non-profit making private membership club. As such it has no formal legal status. It does not have to register under the Data Protection Act (members agree on joining that their status can be disclosed to other members) and individual members

are not legally liable for the poor quality work of others. Incidentally the 'treasurer' cannot make off with the funds because there aren't any.

Will LETS last? There are a number of possible threats to a LETS group both from within the system and from outside it. Some of these are imaginary and most are no more than future possibilities. Within the system we have:

The Freeloader. This is usually the first problem mentioned by those who are certain that it won't work. They are convinced that some people will just take and give nothing in return, so achieving a large negative balance. To the surprise of critics, people in general don't do this, despite having lived for years under the neo-conservative philosophy of help yourself and not others. The group protection against this is peer pressure, very effective when the group is small and local. Remember that members are entitled to know everyone's trading position. The administrators can, if the members wish it, set an upper limit on negative balances and as a last resort exclude defaulting individuals from the system. In practice this situation usually only arises because a member does not realise that they have anything that they can do to contribute, and then support and advice from other members solves this problem. Occasionally someone leaves after having built up an appreciable negative balance, but this does not create a loss within the group as the minuses they incurred have already created wealth (pluses) within the system and it stays there. It is not surprising that economists in general, who can only think and use the vocabulary of a money system, do not understand it. Sociologists and psychologists have more success.

The misguided philanthropist. Anyone who, from misplaced generosity or timidity, insists on creating an ever increasing plus balance in the belief that by only contributing and not taking anything out, they are helping, are not. Contrary to conventional economics they are taking wealth (buying power) out of the system. A little education is the answer here. Clearly for the system to function effectively the numbers with a positive and negative balance need to be roughly equal, but this is what happens in practice.

Poor quality goods and services. The conventional legal remedy is not available but, as the scheme is local, knowledge of this soon spreads and if the offenders do not mend their ways they are just avoided.

Threats from outside are potentially far more serious and may come from any group that might come to feel that its power or authority is threatened. These could include banks and the financial structures in general, trade union bureaucracies and big business, but the biggest of all is the State.

The State. Any threat to the authority of the state quickly invokes a reaction by government, whether by legal action or force. Other currencies (tokens) could be made illegal perhaps: oddly at present they are not, provided they are clearly distinguishable from the official variety, but then LETS does not use currency. Nevertheless it is not beyond the capacity of government suddenly to make hundreds of thousands of people criminals and produce a confrontation situation. After all the present population of users of illegal substances is far larger, the difference being that they are not in organised groups like LETS. LETS is still very new and any possible threat to the establishment is a long way off but it is unlikely that the government would wait until that had actually happened.

Many members of LETS may face problems as individuals according to their personal circumstances.

Income Tax. Income from whatever source must be declared in annual tax returns, say the authorities, and LETS units credited to an individual constitute income. If small scale and occasional, then no inspector is likely to intrude but any one suspected of trading, and trading is defined as doing something more than once, could be chased. If an individual is engaged in business then the profits are taxable whether obtained in LETS units or cash. A plumber doing plumbing would be incurring a tax liability but any spare time gardening he or she did would escape. There is no provision for paying in LETS units or offering the tax inspector some home made bread instead, however delicious.

Social Security. Not surprisingly, up to half of existing members are unemployed. Social security regulations are complex and it is less than clear how working in LETS might affect benefits. Local Benefits Agency Offices have so far not been consistent in their approach. It would not be appropriate here to go into more detail than to say that modest involvement should not incur the wrath of the DSS. New members can take advice from those with experience of potential problems, and it is sometimes suggested that claimants should do their LETS trading using a different name.

Illegal Trading. Openly trading in illegal substances would soon attract the attention of the authorities and harm the scheme by giving the authorities an excuse to investigate. In this context remember that trading in homemade wine would be illegal because a licence is required and excise duty is payable, but advertising sex would not because it would not be soliciting in a public place.

One Future for LETS

Letslink UK provides information, help and advice for those who wish to start a scheme, including a model constitution designed to avoid the legal and administrative pitfalls. Its view is that LETS trading is not a threat to traditional currency: 'Local currencies can never replace national currency because they do not have the same purchasing power, they work as a complementary system, boosting local trade and filling in gaps where money is short'.

This is the mainstream view of the way LETS is going and LetsLink aims increasingly to involve small businesses and local councils in LETS trading. LETS will function alongside state currency and be interchangeable with it. However one can only wonder at a recent report that Hounslow Council has appointed a £30,000 director to run its new (presumably LETS) currency. Michael Linton feels very strongly that LETS units must be interchangeable with the national currency or it is not a LETS system, i.e. it does not conform to item 4 in the list given earlier – the LETS unit is equal in value to the national currency – and in his opinion this is a matter of fact not opinion. He sees LETS units becoming interchangeable within a nation or even internationally. Some groups have gone a little way down this road with a few businesses accepting LETS units in part payment and some Local Councils paying out community grants partly in LETS units and accepting LETS units as payment for work done for a group, such as photocopying, or printing the directory. Michael Linton's company Landsman Community Services Ltd argues that it is only by plugging LETS into the world of national currencies that businesses will be able to join. Since most trading is carried out through businesses, and LETS being such an effective tool for economic regeneration, Landsman argues that businesses have to join for LETS to realise its full potential. If this is the way LETS develops it will certainly provide those with little income and no work the opportunity to use their skills for the benefit of the community and in return enjoy a better quality of life than otherwise. On the other

hand LETS will undoubtedly be drawn into the State financial nightmare of income tax, VAT and DSS claimant restrictions. It could give governments the excuse to cut welfare payments in proportion to the benefit an individual is getting from LETS trading. Again it could lead to a second class economy for the under-privileged. Is this why the Labour Party is showing an interest in LETS as it sees itself getting closer to governmental power?

Given this scenario, one would expect LETS to be most successful in times of economic recession, but then recession is becoming a permanent feature of life in Britain, at least in the sense that economic activity depends on a large if variable pool of unemployed people. It is not surprising therefore that many anarchists are not sympathetic to the LETS initiative. They may consider it insignificant and irrelevant and anyhow diluting the basic idea of anarchist economics: just a bourgeois liberal concept diverting attention from working for the anarchist revolution, both in terms of the time and of the energy devoted to it. They can claim that it is just money because it has an exchange value and if it became possible to convert it into sterling the sterling could be used as a commodity and so earn interest. This is not an impossible future for LETS units if people choose to go that way even though the units have no physical existence, although it is against one of the basic tenets of the scheme. Other anarchists may see the LETS initiative as an opportunity to create some aspects of a free society by trying to build a new economic structure alongside the decaying fabric of the old, without waiting first for the complete collapse of the capitalist system. We are so conditioned to the market economy that we have difficulty thinking outside it and our very vocabulary is permeated by phrases borrowed from economic textbooks. For this reason a LETS system that did not use units of value which, whether loosely or tightly, were linked to the unit of national currency would be difficult for people initially to understand and so would not easily attract members. Nevertheless over a third of networks in Britain have deliberately set a different value for their units in an attempt to divorce it from the mainstream economy and there are many people within the system whose attitude to LETS units is different from the 'official' view. They believe that it is the very ethos of LETS that it is a community resource available for local people to use in their areas as they think best. To pursue this idea it is helpful to put LETS on one side for a while, and consider a much older idea which we will call, as others have done before, the *Gift Economy* or the *Gift Relationship*.

The Gift Economy

Older than capitalism, older even than feudalism, the Gift Economy has persisted. Defined as actions and activities for others without expectation of any reward, it permeates all parts of human society, despite the domination of the market, because it supplies a social as well as an economic need. Within the family unit, sharing, lending and giving occur quite smoothly provided relationships are healthy. Similarly, within a neighbourhood, lending is widespread and gifting common and socially valid, as when it is not from rich to poor it does not reduce the dignity of the recipient. Gifts are given in the expectation that they will not be hoarded to become part of someone's capital but used and then, if possible, passed on. A simple example of this is the way in which children's clothes are passed on, both within the family and in the local community, and of course neighbours are helped in all kinds of ways when they are sick or incapacitated.

The Gift Economy depends on trust and trust depends on knowing, so that it is most effective when the community is clearly identifiable and of a size where nearly everyone knows, or at least knows of, most of the others. This seems to involve around 500 people and this sense of community is least likely to be found in large towns. Such neighbourhood mutual aid communities were commonplace in working class parts of Britain in the 1930s and did much to alleviate the hardship people experienced during those depression years. They persisted well into the 1950s until destroyed by the bureaucrats and planners whose answer to slums was to destroy the houses and move everyone into high rise tower blocks. There have been attempts to overcome the resulting loss of sense of community; one that is ongoing at the moment is the Arid Lands Initiative in which, oddly, it is lessons learnt in the Middle East and Sub-Saharan Africa that are being applied on a housing estate in Salford where self-help within the community is being rebuilt around the intensive cultivation of fruit and vegetables on the 'waste land' that typically surrounds tower blocks. This is a reminder of the importance of the allotment in communities between the wars and later, in which the produce from a piece of rented ground made a vital contribution to the food needs of the family. But the allotment was much more than this, being the basis for a social network in which produce was shared and exchanged. Sometimes a surplus was traded for cash but this was more an instance of using money as part of a flexible bartering network rather than an intrusion into the market economy. True the Gift

Economy does shade almost imperceptibly into the grey or informal economy in which goods and services are offered for cash, but this is more a recognition that many essential needs can only be satisfied by the use of currency and, by definition, these economic activities are quite separate from mainstream capitalism. The important social and economic role of allotments is described by Colin Ward in *The Allotment: its Landscape and Culture*.

The Gift Economy can operate in a group where members are not in daily contact but have some common interest. A simple example of this happens at members' meetings of the Ramblers' Association in the north of England and is called a Faith Tea. Members are invited to bring some food. There is no obligation and some don't, but there is always enough for everyone and in reasonable variety. Remember that tea in the north is a major meal and not just cucumber sandwiches.

Blood as a gift

In Britain there is an unexpected and surprising example of the gift economy, in which a commodity is taken completely out of the capitalist economic system, and by the government. This is the supply of blood needed for transfusion purposes in hospitals. It is freely given by donors, or at least for no more than a cup of tea and a biscuit, in the expectation that it will be freely available wherever and whenever it is needed. This is not even a form of extended barter for it is as available to those who do not donate as to those who do. This is an example of the state using the human capacity for mutual aid, but there are less savoury examples in which people are persuaded by governments to fight and die in wars in the misguided belief that it is for the benefit of the community. Many recognise that there is a natural capacity for mutual aid inherent in people which is frequently exploited by governments and demagogues, although it is sometimes called altruism or even enlightened self-interest.

Gifts in Spain

Ross Dobson in *Bringing the Economy Home from the Market* argues that during the Spanish civil war, the Anarchist Collectives, until destroyed by the communists and fascists, were a model for community economic development for purely functional, environmental and economic reasons, irrespective of their political basis. We know that

these collectives worked well both on a local level and between localities despite the difficult circumstances, so, call it the free society or the gift economy we know it will work.

The Tragedy of Marxism

The Marxists promised us the communist millennium, a society in which all would give according to their ability and all would receive according to their need, once the workers had seized control of the state and the state had consequently withered away. The catastrophic errors of their plan as it sank on the rocks of bureaucratic centralism and the influence they had on the socialist parties of Europe and elsewhere, set back for decades the hopes for a free society. The consequent discrediting of the word communism we have to accept as a fact, but the idea of a society in which those who can give, give and those who need, receive, is still with us and could be an idea whose time has come. It remains to be seen whether the LETS idea is a step towards that goal or just a marginal prop to the capitalist market economy.

Another future for LETS

There is no doubt that initially new members are reassured by the knowledge that the LETS unit is equivalent to £1, but as the system is used and confidence is gained this becomes less important, so although members still negotiate a fee it is noticeable that the buyer will often offer more units than the giver asks, and the trading balance becomes less and less important provided it does not get too large either way. Within the scheme we are already halfway towards achieving the maxim 'who can, gives; who needs, receives', although still limited by the range of goods available. The record of transactions, if still maintained, becomes just a way of obtaining an overview of what is being traded and, for those more timid, reassurance that they are not being taken advantage of. Gradually the vocabulary of capitalist economics would be dropped. LETS units have never been equivalent to money as they have no value but are just a measure. Even today, in some schemes, the terms credits and debits have been replaced by terms such as ins and outs. The closer a group became to a true gift economy the more difficult it would be for the income tax, VAT and social security authorities to interfere.

Conclusions

The answer to the question posed initially must be, it all depends. It depends on how the LETS movement develops. If it goes along the lines advocated by Michael Linton towards greater integration with mainstream economic policies then it may well become of only marginal interest to anarchists. If it evolves as an independent economy in parallel with the capitalist market economy, moving ever closer to becoming a gift economy, then shouldn't anarchists want to be part of it?

Finally consider these words from Ross Dobson in *Bringing the Economy Home from the Market*:

The old East-West, Right-Left contest is, in fact, *passé*, if it ever was a real one for most of the earth's people. In the context of *sustainability*, the contest has always been between centralized power and the separate, free and anarchic societies (and economies) of pre-monetary, pre-industrial primitive tribes and peasant villages. It has always been a struggle between the autonomous and self-sufficient *communities* of our world and the aggrandisement and control of centralist empires – military, political and economic. It has been a struggle between self-sufficient local societies in which production and consumption was a closed and self-managed, all-inclusive, all-supportive, circuit – which the industrial revolution overturned for both East and West – and those who wanted to *grow*. It is the old struggle between the village and the city.

Bibliography

- D. Crouch and C. Ward, *The Allotment: its Landscape and Culture* (London, Faber & Faber, 1988).
- R.V.G.Dobson, *Bringing the Economy Home from the Market* (Montreal, Black Rose Books, 1993).
- P. Lang, *LETS Work: Rebuilding the Local Economy* (Bristol, Grover Books, 1994).
- R.M. Titmuss, *The Gift Relationship: from Human Blood to Social Policy* (London, Pelican Books, 1973).

Sources

- Arid Lands Initiative, Machpelah Works, Hebden Bridge, West Yorkshire .
- LetsLink UK, 61 Woodstock Road, Warminster, Wilts, BA12 9DH.
- Lets Solutions, 68 Ashford Road, Manchester M20 3EH, an alternative source of advice and help on all aspects of setting up and running a LETS system.

Neil Birrell

Some Notes for an Anarchist Theory of Trade

The main subject of social economy – that is, the economy of energy required for the satisfaction of human needs – is the last subject which one expects to find treated in a concrete form in economical treatises. – Peter Kropotkin

On the face of it how can anyone be opposed to 'free trade' as long as it doesn't occur on a Sunday? This would seemingly be the position of the church going back over the centuries. St Augustine seemed to be saying as much when he argued trade to be evil if pursued by clergymen, for sinful purposes such as 'forestalling' or if indulged in at such 'times that ought to be devoted to divine service and prayer, such as Sundays and Festivals'. But there was no cause for concern if it was 'pursued honestly for the purpose of supplying our fellow-man with the goods he needs'. Who could disagree? Trade was thus presented as an almost altruistic act of self-sacrifice where the trader's concern was for his 'fellow-man' rather than narrow self-interest.

More cynically perhaps we might interpret such views as another example of how the church was coming to terms with the growing reality of trade at the time. By permitting and endorsing trade the principle of profit was being accepted via the back door as the reward to the 'labour' of the trader.

The idea of usury or profit was clearly unacceptable but as the urge to trade moved from the local to the distant the church clearly felt a need to move with the times, and seek a language of subterfuge. This indeed is the history of the discussion of 'free trade' which continues to this day – occasionally varying its vocabulary but always plugging the same story.

Terms such as 'price-specie flow', 'comparative advantage' or 'factor-proportions theories' simply turn out to be the preferred jargons of different eras chosen to hide a different reality – recognised ultimately (almost as a footnote by many) – as being that of the exploitation of the weak by the strong via the protectionist policies of

a state leading to polarisation and inequality rather than the mythological convergence of free trade economics. Students of Orwell will find many examples of newspeak in the works of 'free trade' economists.

But already we are introducing so much of the jargon which is used to hide the reality without stripping away the veneers of respectability to reveal the essential fraudulence of most economic theory.

We could argue about where to begin. Aristotle could serve us well but it would seem to be safe to come closer to the modern era and start – if not chronologically then analytically – with David Hume and the beginnings of convergence theory which stands as the attempt to put a moral stamp of approval on the theory of 'free trade'.

Early Theories

Few would wish to argue that it be fair for one economy to exploit another in order to render it completely subservient and to condemn its inhabitants to little more than slavery. Reality needs to be rearranged, dressed up, re-packaged before it presents itself as theory, even Hitler had Goebels to push the Nazi argument in acceptable form, and whatever the realities of 'free trade' it needs in some way to be made palatable.

So, if it can be shown that such exploitation and slavery is impossible what better ideology could one hope for? All can be acceptable in this Panglossian world where if the rich try to exploit the poor they receive their come-uppance in due course. Hume puts the argument in the following passage:

Suppose four-fifths of all the money in Great Britain to be annihilated in one night, and the nation reduced to the same conditions, with regard to specie, as in the reign of the Harrys and Edwards, what would be the consequence? Must not the price of all labour and commodities sink in proportion, and everything be sold as cheap as they were in those ages? What nation could then dispute with us any foreign market, or pretend to navigate or to sell manufactures at the same price, which to us would afford sufficient profit? In how little time, therefore, must this bring back the money which we had lost, and raise to us the level of all neighbouring nations? Where, after we have arrived, we immediately lose the advantage of the cheapness of labour and commodities; and the further flowing in of money is stopped by our fullness and repletion.

Again, suppose, that all the money of Great Britain were multiplied fivefold in a night, must not the contrary effect follow? Must not all labour and

commodities rise to such an exorbitant height, that no neighbouring nations could afford to buy from us; while their commodities, on the other hand, became comparatively so cheap, that, in spite of all the laws which could be formed, they would be run in upon us, and our money flow out; till we fall to a level with foreigners, and lose that great superiority of riches, which has laid us under such advantages.

As with so much of economic theory Hume's argument sits in a Platonic underworld of mathematical certainty. Here lies the essential premise of the 'free trade' argument: there can only be winners. Still today despite the evidence it is still repeated. Any advantage gained is in the long run an advantage lost. In the formulaic world of economics this is powerful stuff, virtually unchallengeable. However, back in the real world, it holds no water.

You won't get far into your reading of economic theory without hitting a *caeteris paribus*: all things being equal. The world of economics is a world of theories which deal with two nations and two commodities. It is a world where European military superiority is not a factor in any equation, a world where the CIA does not install puppet regimes, a world where imprisoned labour is not used in the production process, a world where carpet bombings of defenceless civilian populations do not occur, a world free of apartheid, concentration camps and special economic zones – it is in essence a world free of political constraint and state interference, that is to say an ahistorical supposition lacking reference to reality. Hume accidentally hits on this point in the above when he brings in the limitation, 'in spite of all the laws which could be formed'. Here he underestimates, seriously, the ability of power to dictate the terms of 'free trade'.

Indeed, remove political considerations, and you come close to the ideal: free trade which, it has been argued, was the reality for most of world history, until the ascendancy of the Europeans.

This is not to say that all economic theorists simply operate in such a vacuum and that no more sophisticated argument can be found. Indeed Hume had his contemporaries who denied his arguments. He was challenged directly by the Dean of Gloucester, Josiah Tucker (1712-1799), who recognised the pre-conditions and consequences of 'free trade'. For Tucker the idea that a rich nation could lose advantage to a poorer one conjured up the most terrible nightmares:

THIS being the case, can it be denied, that every poor Country is the natural and unavoidable Enemy of a rich one; especially if it should happen to be adjoining it? And are we not sure beforehand, that it will never cease from draining it of its Trade and Commerce, Industry and Manufactures, 'till it

has reduced it, at least so far as to be on a Level and Equality with itself? Therefore the rich Country, if it regards its own Interest, is obliged by a Kind of Self-defence to make War upon the poor one, and to endeavour to extirpate all its Inhabitants, in order to maintain itself in *status quo*, or to prevent the fatal Consequences of losing its present Influence, Trade and Riches. For little less than a total Extirpation can be sufficient to guard against the Evils to be feared from this dangerous Rival, while it is suffered to exist....

For Tucker such a state of affairs was unimaginable. His reasoning, however, is only too predictable:

For my part, I must confess, I never could conceive that an all-wise, just, and benevolent Being would contrive one Part of his Plan to be so contradictory to the other, as here supposed;- that is, would lay us under one Obligation as to Morals, and another as to Trade...

Many readers will be disappointed. God for the Dean of Gloucester, as has been pointed out, was more British than Hume's more cosmopolitan variety but for those who would like to bring the argument into a more concrete domain we still have failed to dodge the reality of state power.

Still, although Tucker had inadvertently pointed to the realpolitik of the situation without perhaps realising its importance, he does begin to come up with some pointers which also undermine the 'free trade' argument whilst moving closer to a kind of theory of protectionism – which he never fully endorsed.

We are now near the heart of the nature/nurture debate which has successfully dominated economic theory over the years. It is the argument between liberalism and protectionism; between *laissez-faire* economics and, as its main opponent Adam Smith was to dub it, mercantilism. Anachronistically Tucker was a mercantilist, a hard bunch to define but one which seems to have defined itself by putting an emphasis on accumulation of gold bullion and treasure seen as the essence of wealth; a dedication to the regulation of foreign trade to produce an inflow of these precious metals; the promotion of industry by ensuring cheap imports of raw materials; protective duties on imports of manufactured goods and an emphasis on high population growth to ensure low wages.

Such policies were geared most essentially to producing 'surplus' of a kind which would clearly bring profit to those engaged in foreign trade – perhaps not surprisingly mercantilists themselves – but also with considerable advantage to the state which was to play such a fundamental role. One important aspect here, which we must stress,

was acquisition of precious metals, which a favourable balance of trade would allow therefore to increase the money supply and provide the new ruling class with the means to control the economy and command the labour of others.

Thus the mercantilists must be respected at least for living in the real world – one of state intervention in economic activity. It was only when their work was done, as Tucker had pointed out, that the stage could be set for those who would call for open markets and ‘free trade’. Protectionism having done its job ‘leader nations’ as they are now called could be let loose on the world knowing that their leading position was virtually unassailable.

The realism of their position partly explains the willingness of so-called ‘free-traders’ like Adam Smith to ignore them and set up straw-men instead to shoot down as more identifiable targets. For the ‘free-traders’, an unreal universe is drawn of a market with an ‘invisible hand’ which will find its own natural level – a universe where there are no long term winners and losers and where all would come out in the wash. Where this universe exists we have yet to find out. History tells a different story. It is a story of state led trade – of protectionism and acquired rather than natural advantage as recognised by the mercantilists – precursors of the protectionist school.

Classical Liberalism

Such Machiavellianism and realism though could not be right for the domain of academic discussion. Theories which discussed a need to control foreign economies were unpalatable. The unreal world of the ‘free market’ was needed to set the limits of discussion. Enter Adam Smith and David Ricardo to justify an unjustifiable state of affairs.

Smith is not of immediate concern to trade theory but we wish to make some comment on him here given as he is so often seen as the father of modern economics. We need to consider both halves of this equation before we consider his ideas; unfortunately all too briefly – we hope to return to them some other time.

Firstly, of course, to speak of modern economics is to recognise a multiplicity of economic models only good in so far as they satisfy a need for a coherent description of a given state of affairs. They are therefore essentially descriptive rather than normative; the latter belonging more properly to the fields of politics and ethics and carry with them attendant cultural and historic limitations.

Secondly, however, to portray Smith as an economist is to portray only half the man. There is also the normative side to his work which gives a far different picture to that commonly presented of him. We would remember here that Smith took over the chair of Moral Philosophy – once held by his tutor Professor Hutcheson – in 1747 and that the fruit of this period was his book *The Theory of Moral Sentiments* which is faithfully overlooked by many of his would-be disciples in our times. We intend to consider both sides of Smith in the following in order to present a more complete picture of the man who whilst describing an economic system he saw evolving also noted its damaging side.

Traditionally of course one starts with chapter one of *The Wealth of Nations* and Smith's important principle of labour division. We will however, break with tradition in order to draw attention to the more fundamental principle of Smith's description, i.e. an economy based on exchange-value.

Smith certainly recognised both use and exchange value. He gives simple examples of the former – air and water – and diamonds as an example of the latter. The first is recognised as useful but without exchange value and the second as useless but worth a penny or two. Smith is only interested in the latter. This highlights two related aspects of the forgoing argument. Firstly, in an economy which was beginning to feel the problem of agricultural supply to be approaching the excess of supply over demand – partly due no doubt to a fortunate series of harvests from 1730 to 1750 – scarcity needed to be found in other areas in a society where technology from our point of view was embryonic and that therefore the question of industrial production needed to be addressed. In agriculture a problem solved was not a problem and therefore of little interest. (This could be contrasted with the French and the Physiocratic position.) But also this strange and unresolved paradox of scarcity in a system of surplus which gives rise to the Smithian notion of exchange value seemingly can only be explained in a context of class analysis.

But having raised these themes we can now afford to be a little more traditional and give you page one, paragraph one:

The greatest improvement in the productive powers of labour, and the greater part of the skill, dexterity, and judgement with which it is anywhere directed, or applied, seem to have been the effects of the division of labour.

But then of course we could have begun elsewhere:

[under the division of labour the worker]...has no occasion to exert his understanding, or to exercise his invention... He naturally loses therefore, the

habit of such exertion, and generally becomes as stupid and ignorant as it is possible for a human creature to become. The torpor of his mind renders him, not only incapable of relishing or bearing a part in any rational conversation, but of conceiving any generous, noble or tender sentiment, and consequently of forming any just judgement concerning many even of the ordinary duties of private life... His dexterity at his own particular trade, seems in this manner to be acquired at the expense of his intellectual, social, and martial values. But in every improved and civilised society this is the state into which the labouring poor, that is, the great body of the people, must necessarily fall, unless government takes some pains to prevent it.

Both sides of Smith can be seen at work on this problem which clearly perplexed him. Throughout his work there is a tension between, as many would put it, what his head told him was required and what his heart told him this would entail. We will look at the economic implications he draws from the situation momentarily but let us dwell here on what seems to be an essential dilemma for him which he seems content to reveal without necessarily solving. Does this writer come closer to solving the problem?

With regard to the amount of prosperity and business activity in them, cities and towns differ in accordance with the different size of their civilisation [population]. The reason for this is that, as is known and well established, the individual human being cannot by himself obtain all the necessities of life. All human beings must co-operate to that end in their civilisation. But what is obtained through the co-operation of a group of human beings satisfies the need of a number many times greater than themselves. For instance, no one, by himself, can obtain the share of the wheat he needs for food. But when six or ten persons, including a smith and a carpenter to make the tools, and others who are in charge of the oxen, the ploughing of the soil, the harvesting of the ripe grain, and all other agricultural activities, undertake to obtain their food and work toward that purpose either separately or collectively and thus obtain through their labour a certain amount of food, that amount will be food for a number of people many times their own. The combined labour produces more than the needs and necessities of the workers.

Not only does Khaldun writing hundreds of years earlier seem to grasp the nature of the economics – which this time is universal rather than temporary – but he combines it with a concept of mutual aid and by so doing brings us closer to the idea of integrated labour as proposed by anarchists like Kropotkin which is not the opposite to Smith's notion but the resolution of the problem he faced to which we now return.

Smith's notion of labour division should not be seen as simplistic. Firstly, Smith was concerned with those 'employed in useful labour... and those not so employed'. This in itself would seem a 'useful'

distinction at first but proves somewhat disappointing given the definition of that which is useful which we understand, must give rise to the production of tangible objects (including presumably useless diamonds) which in turn could give rise to surplus or profit for future investment. Indeed it is this aspect which lies at the heart of the theory rather than the division of labour. Labour is now defined as productive only in so far as it produces goods of exchange value which are therefore useful in the area of trade. We would stress here that it is not so much labour division which lies at the core of Smith's system but rather it is this notion of exchange giving rise to trade that we have already highlighted. In the Universe of *The Wealth of Nations* the division of labour is useful in so far as it produces commodities for a trading nation. Value lies in exchange and not in need – it is this attitude towards value which distinguishes Smith from Kropotkin not labour division – but we are still left with another paradox which lies behind Smith's system. How do we produce surplus for trade when there is by definition scarcity – the bedrock of economic theory?

The concept of surplus can be readily understood if need has been satisfied but otherwise the concept seems only to make sense in a divided society where the needs of some are met – who can then enjoy surplus – whilst others want. Smith calls on government or the state to enforce this unequal state of affairs. Whose side does he come down on in this struggle between rich and poor? Even in the economic pages the following creeps in:

[the proposals of new laws or regulations by dealers] ... ought always to be listened to with great caution, and ought never to be adopted till after having been long and carefully examined, not only with the most scrupulous, but with the most suspicious attention. It comes from an order of men, whose interest is never exactly the same with that of the public, who have generally an interest to deceive and even oppress the public, and who accordingly have, upon many occasions, both deceived and oppressed it.

In his own words Smith undermines the title of his own book. We are not talking of the wealth of nations we are talking of the wealth of sectional interests. This theme will come through more clearly as we turn to Ricardo and the international division of labour.

Comparative advantage

With David Ricardo (1772-1823) we introduce one of economics' most famous laws – the law of comparative advantage – which is

generally credited with having first been formulated by this wealthy stockbroker and parliamentarian. It is from this law that the basic claim of the mutual advantage of trade to different countries is inferred. It goes somewhat like this.

If we take two countries – Britain and Portugal (the two which Ricardo actually chose) and consider their industrial production of cloth and wine and if we consider in particular their various endowment factors (climate, supply of raw materials, labour capital etc.) we should naturally discover that one of them is better at producing a given commodity than the other. If in our example Portugal is better at producing wine and Britain cloth we are looking at an example of absolute advantage and it is fairly obvious that mutually beneficial trade or exchange can here take place. But supposing Portugal be better than Britain at the production of both commodities. Here Ricardo's theory of comparative advantage suggests that because the efficiency is relative increased specialisation will still bring advantage to both countries. We can highlight this with a numerical example. Consider for example the USA and Peru both using all their resources to produce coca leaves. Imagine we get the following outputs:

USA - 1000 tonnes

Peru - 2000 tonnes.

Now consider them both producing cotton with these outputs:

USA - 1000 tonnes

Peru - 1000 tonnes

Now putting aside half a dozen considerations which will spoil the fun but which we will turn to in a moment, why should Peru want anything to do with the USA? Well with the USA we can see that the cost of producing an extra ton of coca leaves will force them to cut back an equal tonnage on cotton whereas for Peru to produce an extra ton of coca leaves would mean half a ton cut-back on cotton. Therefore Peru has a comparative advantage in coca leaf production and the USA has a comparative advantage in cotton production by default as it were because Peru is best positioned to specialise in coca leaves. Neat.

Fine as far as it goes but supposing, and this will not over-stretch your imagination, that the USA has got a bunch of armed thugs called the CIA who will destroy your crop of coca leaves, seize your land, install a government of their own choosing and put you in prison if you protest. How useful is your comparative advantage in coca leaf production then? Consider further that having taken your land the USA then builds a factory to distribute cotton seeds to you and directs

your government to ban you from producing your own seeds. What effect will this have on your cotton producing efficiency? And supposing the wife of the President of the USA gives away free cotton t-shirts with the slogan 'say no to coca leaf' to anyone who wanted one and got the media to support her. At this point we could restate the question: why should Peru want anything to do with the USA?

Perhaps to be fairer to Ricardo we should take his example of Portugal during the eighteenth century – the age he would surely have had in mind. The political realities of the time had led England into an alliance with Portugal in 1702 in order to oppose Spanish power. The alliance included a trade agreement which was no new innovation, having followed several treaties in the previous century. It was therefore in the words of the French historian Fernand Braudel the outcome of 'processes which eventually closed on Portugal like a trap'.

Portugal at the time was turning more towards her colony in South America: Brazil, from whom she was leeching such wealth that her king was the richest sovereign in Europe. This though, didn't spread throughout a population where the 'rich were excessively rich, and the poor wretched.' For the poor it was a nasty place, for the rich it had become a palace of luxury which was to lead to depravation:

Into the lazy prosperity of this little country came the English and pressed home their advantage. They shaped Portugal to suit their own ends, developing the vineyards in the north, creating the fortunes of port wines; becoming sole providers of Lisbon's grain and codfish supplies; introducing enough bales of English cloth to clothe every peasant in Portugal, and to flood the distant market in Brazil. It was all paid for in gold and diamonds... Things might have been different; Portugal might have protected her own market and built up her own industry... But the English solution was the easy one. Even the terms of trade favoured Portugal: while the price of English cloth fell, that of Portuguese export goods rose...

And we can guess which social classes benefited from this. Braudel's conclusion rings down the ages to the present day: 'When a foreign power has access to the first-hand market, at the point of production, that is indeed commercial colonisation'.

The roots of autarky

Distant trade, historically linked with colonialism, can be counter-balanced with the notion of autarky. This indeed lies at the base of the ideas of a Scot with dates similar to those of Smith – Andrew Fletcher of Saltoun (1653- 1716). One could overestimate the anarchist

overtone of his writings – but we can recognise in most of his pronouncements a libertarian feel born of a romanticism reflected by the events in his life. He was, like many of his time and social background, much travelled resulting in exposure to some of the less conventional ideas of his time. As a young man he returned to Scotland to take part in the abortive rebellion organised by Argyll and Monmouth. He was forced to flee and was in his absence condemned as a traitor by the Lord Advocate ‘Bluidy’ Mackenzie in 1686 and sentenced to death for treason. He was of course an ardent nationalist but as Istvan Holt has shown his understanding of the way powerful nations dominate weaker ones is astute and, apart from leading him to oppose the union, also brought him to consideration of more radical solutions to his nation’s problems.

He argued that, notwithstanding their lower wage costs, smaller nations as the weaker partner would always lose out in trading relations with the greater states and with the callous destruction of the Irish textile industry he didn’t have to look far for evidence to support his viewpoint. Wales too offered evidence as the following extract from his pamphlet ‘An account of a conversation’ shows:

Wales, the only country that ever had united with England, lying at a less distance from London, and consequently more commodiously to participate in the circulation of a great trade than we do, after three or four hundred years, is still the only place of that kingdom, which has no considerable commerce, though possessed of one of the best ports in the whole island; a sufficient demonstration that trade is not a necessary consequence of a union with England.

Many will recognise here much of the thinking which goes into contemporary structuralist theory such as that of Frank. Indeed there is much in Saltoun’s work which is far ahead of his time. He goes on to say that the English in order to protect their trade would need to prevent the Irish from trading and in a *reductio ad absurdum* suggests this would lead to the idea of depopulating it and in so far as this would invite French invasion it would be even better to, ‘...suppose Ireland sunk in the sea; and then you will cease to fear either that they may set up for themselves, or carry away the trade from England.’ To go further the logic would suggest that Scotland and Wales follow suit and more...

Do you not think, said I, the same arguments would prove that all the considerable trade of the world might be brought into one city, and all mankind to live within and about that place?

Perhaps

For what end then, said I, did God create such vast tracts of land, capable of producing so great variety and abundance of all things necessary and useful to man? In order, I suppose, that these countries might not be inhabited, and that mankind might confine themselves to islands, strait, barren and unwholesome situations, and live upon trade. Can there be a greater disorder in human affairs... But if the governments of the world were well regulated, and men might have the liberty of choosing, they would not be confined to such narrow, barren, and unwholesome places, nor live so much at sea, or in the exercise of a sedentary and unmanly trade, to foment the luxury of a few; but would disperse themselves over the world in greater or lesser numbers, according to the goodness of the soil, and live in a more free and manly way, attended with a more equal distribution of riches than trade and commerce will allow. Trade is not the only thing to be considered in the government of nations: and justice is due, even in point of trade, from one nation to another.

Clearly Fletcher was beyond a parochial nationalism. His comments can readily be seen as far ahead of his time in an international context where he seemed to well understand the necessary logic of military and commercial conflict which would be the future for the European colonialists. 'Commerce assumed the shape of war,' he insisted, 'precisely because it was now considered not only to be a means of obtaining foreign luxuries or of making the common people more prosperous, but to be the foundation of military greatness and national glory...' He was arguing for genuine international commerce away from the confines of national interest emphasising the ideas of mutuality and exchange. Government could play no part in this vision:

Not only those who have ever actually formed governments, but even those who have written on that subject, and contrived schemes of constitution have, as I think, always framed them with respect only to particular nations, for whom they were designed, and without any regard to the rest of mankind. Since, they could not but know that every society, as well as every private man, has a natural inclination to exceed in everything, and draw the advantage to itself, they might also have seen the necessity of curbing that exorbitant inclination, and obliging them to consider the general good and interest of mankind, on which that of every distinct society does in a great measure depend. And one would think that politicians, who ought to be the best of all moral philosophers, should have considered what a citizen of the world is.

There is here a recognition of the intimate link between state injustice and trade even if it manifests itself as a negative cynicism. There is also though a more positive vision of more autarkic or self-reliant communities which could develop into a kind of Proudhonian federalism and what can only be referred to as free trade though the concept

would be quite alien to those who spent 43 years and seven rounds before they could come up with an inferior definition.

Clearly the 'lead economies' would have to gain control of foreign domestic economies in a direct fashion if they were to keep them in a state of subservience and avoid what was seen as a threat: autarky, or inland trade or to add a couple of other terms – regional trade and/or self reliance.

Kropotkin

Much of Kropotkin's writings are also littered with this notion of autarky. Of course for many autarky is a nightmare, conjuring up visions at best of menial and primitive economic survival and at worst of Pol Pot and other authoritarian regimes amongst which one would include Nazi Germany. There is, however, perhaps more to it than this. I wish to oppose this idea of autarky to that of distant trade and Kropotkin, echoing Fletcher, is speaking of distant trade when he says, 'Grand it may be, but is it not a mere nightmare?' and further he asks, 'Is it necessary?'

Because for Kropotkin this vision of autarky (he doesn't use the word) or self reliance to use its hurrah counterpart is indeed a welcome vision:

Each nation is a compound aggregate of tastes and inclinations, of wants and resources, of capacities and inventive powers. The territory occupied by each nation is in its turn a most varied texture of soils and climates, of hills and valleys, of slopes leading to a still greater variety of territories and races. Variety is the distinctive feature, both of the territory and its inhabitants; and that variety implies a variety of occupations. Agriculture calls manufactures into existence, and manufactures support agriculture. Both are inseparable; and the combination, the integration of both brings about the grandest results. In proportion as technical knowledge becomes everybody's virtual domain, in proportion as it becomes international, and can be concealed no longer, each nation acquires the possibility of applying the whole variety of industrial and agricultural pursuits. Knowledge ignores artificial political boundaries. So also do the industries; the present tendency of humanity is to have the greatest possible variety of industries gathered together in each country, in each separate region, side by side with agriculture. The need of human agglomerations correspond thus to the needs of the individual; and while a temporary division of labour remains the surest guarantee of success in each separate undertaking, the permanent division is doomed to disappear, and to be substituted by a variety of pursuits – intellectual, industrial, and agricultural – corresponding to the different capacities of the individual, as well as to the variety of capacities within every human aggregate.

The key word is variety which appears eight times even in this short passage which also contains the indicators of an alternative to Adam Smith. It is the very antithesis of classical liberal economics and the discredited notion of comparative advantage with its monocultures aimed at setting up our New World Order to draw surplus into the international exchange economy under state control be it national or global. This vision that Kropotkin had contains weaknesses for sure but it gives us enough food for thought and a starting point from which to build an alternative vision of the future as we approach the year 2000.

References

- Peter Kropotkin, *Fields, Factories and Workshops Tomorrow* (Freedom Press, 1985).
R.L. Meek (editor), *Precursors of Adam Smith* (J.M. Dent & Sons, 1973).
M. Hudson, *Trade, Development and Foreign Debt* (Pluto Press, 1992).
Dunn, *The Economic Limits to Modern Politics* (Cambridge, 1992).
D. Daiches (editor), *Fletcher of Saltoun: selected writings* (Edinburgh, 1979).
Adam Smith, *The Theory of Modern Sentiments* (Edinburgh, 1759).
Adam Smith, *The Wealth of Nations* (excerpts published by Penguin, 1970).
F. Braudel, *Civilisation and Capitalism* (Fontana Press, 1985).

Henry Seymour

The Monomaniacs: a fable in finance

Once upon a time there lived in the moon a race of people who subsisted principally by eating one another. In the course of time their numbers became so diminished that they viewed with alarm the approaching extinction of their species. But the first law of nature sufficiently asserted itself to induce them to relinquish cannibalism except as a luxury, and by degrees they went to fishing, to pasturage and husbandry, ultimately developing a rude system of commodity production.

By and by they found hand-labour to be excessively tiresome and although they worked from morning till night they had very great difficulty to produce enough to support themselves. Step by step, they devised better tools and contrived some ingenious inventions by which a great deal of labour became economised. They soon found out that a still more economical method of production resided in the principle of division of labour; and the quality of their products were thus augmented to a considerable degree. At this stage a new problem arose. How were they to measure the relative quantities which each should equitably exchange with the other? Hence arose the necessity of a medium of exchange. The principle of barter no longer sufficed. He who produced six times the quantity of corn he himself stood in need of could find ready customers, but it often happened that these customers had no suitable thing which they could offer in exchange, and so no exchange could take place. He who caught enough fish to feed the rest of the community could exchange some of it for corn, but he also required other things than corn, for was it not said of old that man cannot live by bread alone? He required a pair of boots, for instance, and the bootmaker, preferring flesh, did not want the fish. So after tarrying until the fish stunk, he would manure the soil with

* Henry Seymour (1860-1938) published the first issue of *The Anarchist*, an individualist publication, in March 1885, more than a year before the first issue of *Freedom*. More about Seymour in *The Raven* no. 1 in Heiner Becker's notes. Seymour's essay was first published in the London magazine *Liberty* in 1895 – Editors.

it and go barefooted. In fine, they were in a hopeless fix for the want of some means to adjust exchanges.

Now there happened to be amongst them one known by the name of Old Roth, who much resembled a chimpanzee. He had never been known to do any labour worthy of mention since he devoured his mother-in-law in the old time when cannibalism was the only political economy practised by these people. He had suffered the worst terrors of indigestion and was a confirmed invalid. He eked out an existence under the new regime by borrowing from his neighbours. He would borrow from one and preserve his credit by repaying him with what he borrowed from another. He was doubtless the prototype of that subtle economist who first announced the idea of the productivity of capital.

His opportunity had at last arrived. His inventive genius had made him the hero of the hour. He had discovered a royal road to fortune, but affected the utmost indifference with respect to his own interest, and posed as the benefactor of his race. So he summoned together all the people and when they were seated about him he addressed them in this wise:

‘Friends – I have made a brilliant discovery which is destined to be of the greatest service to you all. You have long laboured under the manifest disadvantage of being unable to exchange your respective productions with equity and facility. I have devised a system of exchange whereby the equitable transfer of products can be made and nothing wasted. After a long time of deep study, during which I have been ungenerously reprovved for idleness, I have solved this all-important problem and I have brought you hither to tell you of it and to make you a present of the idea if you will just grant me one small concession.’

‘Name it’ shouted all.

Continuing, he said, ‘the concession I refer to is that I be permitted to hold the exclusive possession of that yellow dirt I have scraped together in the corner, it being all that I could find in these regions’.

This was so peculiar a request that the people fell to looking in each others’ faces in bewilderment, wondering if the old man had taken leave of his senses.

‘Certainly we agree’, said they, after recovering from their astonishment, knowing that the dirt could be of no possible value and remembering that he was entitled to it seeing that he had scraped it together with his own hands.

‘Thanks’, exclaimed Old Roth, ‘and now I will unfold my scheme.

It must have occurred to you hundreds of times that the system of barter which you have so long practised is a most wasteful and inefficient one.'

'Hear, hear', shouted the multitude.

'Such being the case', he went on, 'it must be equally plain that if some scheme were devised to supersede it and make the exchange of your products perfect and complete – no matter whether one of the parties in an exchange desired what the other possessed a super-abundance of, or not – it would be the greatest boon ever bestowed upon the inhabitants of Lunarland.'

'Good Old Roth', shouted the astonished natives.

'Very well', he resumed, 'then let each and all of you agree to accept yellow dirt in payment for products. The bootmaker may have boots for sale. The fisherman may require a pair of boots, but it may also happen that the bootmaker will prefer flesh to fish for his repast and therefore will not sell his boots for fish, in which he will be wise, seeing that the perishability of the latter is more rapid than that of the former. Now if you will all agree to accept yellow dirt for your vendible products, the problem is solved. The bootmaker will sell his boots to the fisherman for so much yellow dirt; with which the bootmaker will be able to buy beef from the butcher, and so on.'

The inhabitants of Lunarland were simply entranced with the proposal – it appeared to them so simple, and so effectual.

One of them, a bit of a wag in his way, rose and said he would like to ask the speaker a question. How would the fisherman procure in the first place the yellow dirt wherewith to pay his bootmaker's bill? At which the old man waxed exceeding wrath.

'Oh, that's simple enough', replied Old Roth, concealing his annoyance, 'all that the fisherman has to do is to bring me so much fish in exchange for so much dirt, and the same applies to every other member of the community. Once in their possession they will be able to spend it in such a manner as best pleases them.'

There was unanimous assent.

From the moment that the people came to understand that yellow dirt was a charm which brought anything one wished, there came to pass a fierce scramble to secure possession of the yellow dirt in preference to any other thing. The fisherman toiled all day and night and brought a huge haul to Old Roth in exchange for some of the yellow dirt. Likewise, the bootmaker laboured intensely to make and to bring his productions to Old Roth in exchange for yellow dirt. All other producers of all other things, indeed, acted similarly. But

presently they met with disappointment.

'See', said Old Roth, 'I have no use for more than one pair of boots, or more than enough fish to last me two days, or more than a single suit of clothes, or more than one bushel of corn which I can get my servant to make into bread. And for these things I will cheerfully give you relative quantities of my yellow dirt. You must then go about your business, which is clearly to exchange these other remaining things amongst yourselves, by means of the yellow dirt which I have given to each of you.'

The old man's manner was so persuasive, his contention so plausible that they straightway set about the doing of this thing.

The fisherman bought a bushel of wheat from the corngrower with all the yellow dirt he had, since Old Roth had previously determined that so much of his dirt was of the same value as the bushel of corn he had bought. Then the corngrower bought a pair of shoes from the bootmaker with the yellow dirt he had. And the bootmaker bought a basket of fish from the fisherman. Here was an obvious advantage which the invention of money had brought them. They each now possessed the same quantity of yellow dirt that they had before, and had made a complete circle of exchanges.

Albeit, it soon became obvious that the quantity of yellow dirt Old Roth had given them in exchange for products for his individual consumption was insufficient to effect the exchange of all the multitudinous products that were requisite for the consumption of the rest of the community. Their combined wants were so much greater than his. So business came to a comparative standstill, the number of exchanges to be made with yellow dirt were of course restricted and consequently production was stopped; for, under the regime of division of labour, production was only carried on for the immediate object of exchange, and if exchange were depressed production had to be correspondingly diminished.

A great stagnation in trade occurred; and while they were all desirous to fashion useful things from the raw products of nature, they were compelled to be idle and to suffer privation for the want of these things, for the reason that the means of exchanging them were insufficient. There was plenty of yellow dirt to suffice for this purpose, but it remained in Old Roth's possession.

This commercial anomaly did not fail to bring fresh grist to Old Roth's mill. Yellow dirt being so desirable an acquisition for all, they competed wildly with each other *to give more of their products* for the same quantity of yellow dirt. This mad race was carried on until those

who worked hard twenty-four hours a day could only get from Old Roth such an amount of yellow dirt as would purchase the merest means of supporting life. The finance king chuckled exceedingly that his stock of yellow dirt would last the longer.

After a time, there arose a great commotion in Lunarland, and the people murmured. They began to have a dim perception that Old Roth, in controlling the supply of yellow dirt to the community, had made them his veritable slaves. Old Roth never ceased to preach to them that they were free, as a blind. But they began to grow desperate; crime developed very rapidly; person and property were no longer safe. So Old Roth bethought a little, and devised a new means to restore peace and at the same time preserve his supremacy. He very graciously offered to *lend* them any quantity of yellow dirt on good security, if they would agree to repay him at the end of a specified time with a little more added to it as a compensation for the service rendered. Where the 'little more' was to come from did not transpire, nor did these people, reduced to their last straits, haggle over the terms.

Matter became smoothed and everyone fell to thinking that the arrangement was a perfectly just one. Business revived the moment more yellow dirt circulated, and there seemed no lull until the interest became due. Then so much yellow dirt vanished from circulation and correspondingly depressed trade. And as these periods recurred, so business became worse and worse. Eventually Old Roth got every scrap of his yellow dirt back again, as *interest*, and yet the community were ever indebted to him the same. After almost all the yellow dirt had disappeared from circulation and had got into Old Roth's hands once more, then the Lunarians began to think that interest was not just, for it became impossible to pay any more, notwithstanding that they were still under an obligation to do so. Old Roth therefore was obliged to content himself in going without the return of the principal, it no longer being in existence, having been paid in interest. He remembered the maxim 'Ex nihilo nihil fit'. But the people's debt remained *for ever* (since they could not refund the principal) and he was therefore able to command all he desired. He had a huge mansion built, magnificent in its appointments; the decorations were sumptuous; the most delicate alabaster statuary adorned the majestic entrance. The best stud of horses was his, the most costly carriages that the artistic and mechanical ingenuity of mortals could devise, and the daintiest delicacies that ever graced the table of a prince. All these things he could enjoy, and could perpetuate these enjoyments because

his debt never diminished – each year the interest return on the unpaid principal being more than enough to command its payment in kind and to furnish him with such luxuriance and splendour. And in the same degree that he increased his riches, did they who ministered to him become poorer. So potent was the power of yellow dirt – it being now the only means wherewith to procure happiness – that the people became possessed of an irrepressible mania to get it at all costs. All other considerations were excluded from their thoughts; but those who were the shrewdest amongst them suggested that money be made of a more plentiful thing, and there was an idea in the air that yellow dirt as a token of exchange had had its day. Seeing this, Old Roth went to great pains to ridicule all innovations; and as he controlled the newspapers he made them circulate all sorts of sophistries about the nature of money. The people, being comparatively unacquainted with these things, became more rather than less bewildered and abandoned in despair all hopes of improvement.

It occurred to Old Roth that it would be more expedient to offer the people small loans on easier terms. He foresaw that unless some yellow dirt was put into circulation, all industry would collapse and then he would not be able to procure the things that he desired, in spite of his vast possessions.

The reappearance of yellow dirt electrified the community. The people were literally seized with a wild impulse to get and to keep it; those who failed to secure it in the usual way of producing something of value to exchange for it concocted all manner of devices by which they could gamble it from those who had been more fortunate in their quest. The arts of commerce were shaped to the mad pursuit of dirt-scraping. Once in their possession, they hoarded it in strong iron boxes and vaults of masonry. They quite forgot its original utility, which was that of purchasing food and luxuries, and simply secured it for the purpose of worshipping it.

Old Roth had his claws tightly riveted in the yellow dirt he had put into circulation, notwithstanding all their strong boxes. He laughed long and loudly at their financial guilelessness. He always was able to dictate terms to his debtors, and made them favourable to himself, so arranging the conditions of payment at such specified times that it was a physical impossibility for all of his debtors to discharge their claims. By this means he could foreclose on the securities of the delinquents, which were always double the value of the loans, and so get even more than his dues, and could thereby undersell other dealers and monopolise markets. Thus the yellow dirt would come straight

back to him just when he willed. And by contracting or expanding the volume of yellow dirt in circulation, he could thus depress or raise the value of all other things to his own advantage when about to buy or sell. In a word, Old Roth, in controlling the circulating medium, pulled the wires of the entire industrial and commercial world.

The manipulation of the volume of currency soon got to be a fine art with Old Roth. He forced the wages of those who worked for him down and down until the women replaced the men because they were content with lesser quantities of dirt. As time went on the women were replaced by the children for the same reason. These miniature slaves had to support their parents in idleness. The death rate of the children rose rapidly: half-developed boys and girls often were seen dropping from sheer exhaustion at their work. Avarice filled the whole being of the financier: not even satisfied with the pass to which he had brought the community by his designs, he cut down the very means of subsistence of his child-slaves, so that only the more robust survived. The women offered their bodies for sale, and the men their souls. Crime increased to an incredible degree. Starved men became wild beasts. Old Roth organised a number of men, who were only too willing to do anything to get yellow dirt, to terrorise the criminals, and built jails and torture racks to make men honest. In course of time, he triumphed: all human arts were called into play to exterminate all those who refused to be starved to death for Old Roth's amusement. Yes, crime was eventually suppressed, but only to be replaced by widespread insanity. Presently a scourge came upon the land and it happened that all who contracted the dire disease died of it. All the vaunted wisdom of the medicine men availed nothing: it was beyond all human skill to arrest its ravages. Its cankerous roots were fastened in the very conditions of social life. Its name was *Demoralisation*.

Old Roth and his children alone survived. For the first time it became manifest to him, now that he had no food to eat, how worthless was his yellow dirt. How glad he would be now if he had an opportunity to give all of it for a single loaf of bread. But alas, there were no more ignorant people to traffic with, and so Old Roth and his family were reduced to the necessity to eat yellow dirt. Filled to overflowing with disgust, he afterwards concluded to emigrate to a more congenial planet where fools abounded, and looking around he made for Terra Firma in search of fortunes new, cogitating on the journey a colossal scheme for exploiting the universe.

Camillo Berneri

Peter Kropotkin: His Federalist Ideas

One of the most interesting aspects of Kropotkin's political thought is the federalist idea which constantly recurs in his writings and forms one of the basic factors in his anarchist ideology. Although Kropotkin's federalism is not a systematic theory and cannot be very clearly differentiated from that of Proudhon or Bakunin, it nevertheless presents various characteristics which make its study of interest.

For such a study a biographical excursus is needed in order to illuminate for us the beginnings of Kropotkin's federalist thought in relation to the surroundings in which it formed itself and developed. The Italian philosopher Tilgher, writing about Kropotkin, rightly remarks:

It is impossible to understand the intimate spirit of the anarchist movement if one does not consider it historically as a radical and violent reaction against the profound transformation undergone during the nineteenth century by the institution of the state.¹

Kropotkin, the anarchist prince, provides the best example of this assertion.

Kropotkin's clear and detailed autobiography enables us to follow the different phases in the development of his federalist thought step by step.

At the age of nineteen, when he was an officer in the Cossacks, he went to Transbaikalia where he took a passionate interest in the great reforms undertaken by the government in 1862, and carried out by the Higher Administration of Siberia. As secretary to government committees he was in touch with the best of the civil servants and began to study the various projects of local government administration. But he very soon saw that the reforms proposed by the District Chiefs

First published in Italian in the magazine *Fede* (Rome, 1925). First English translation in *War Commentary* in 1943 and as a pamphlet by Freedom Press in 1940s. Pirated editions of the Freedom Press editions have since been published without acknowledgements. This is a complete, revised translation by the editors.

and protected by the Governors General were submitted to the orders and influence of the central government. Administrative life revealed to him everyday absurdities in system and method. Seeing the impossibility of achieving any kind of reforms, he took part in 1863 in an expedition along the Amur.

During a storm forty barges were sunk with the loss of 2,000 tons of flour. This catastrophe gave him an opportunity of getting to know the bureaucratic system still better. The authorities refused to believe in the disaster, while the civil servants concerned with Siberian affairs in Petrograd revealed a complete ignorance of all that concerned their particular speciality. A high functionary said to him: 'But my dear fellow, how would it be possible for forty barges to be destroyed on the Neva without someone jumping in to save them!' When Kropotkin replied that the Amur is four times as big as the Neva, the astonished functionary asked: 'But is it really as big as all that?' and passed on, annoyed, to talk of some frivolity.

Kropotkin left for Manchuria more than ever distrustful of the central government. He probably thought of the Petrograd bureaucrats when at the Chinese frontier an official of the Celestial Empire refused his passport because it was only composed of a modest sheet of stamped paper, but showed the greatest respect for an old copy of the bulky Moscow gazette which was shown to him as a passport.

Having become an *attache* of the 'Governor General for Cossack affairs', Kropotkin made an accurate enquiry into the economic conditions of the Cossacks of the Usuri. On his return to Petrograd he was congratulated, promoted and got special rewards. But his proposals were not put into practice because of the officials who stole money and continued to flog the peasants instead of furnishing them with cattle and, by prompt and suitable assistance, relieving the effects of famine.

And thus it went on in all directions, beginning with the winter palace at St Petersburg and ending with the Usuri and Kamchatka. The higher administration of Siberia was influenced by excellent intentions and I can only repeat that, everything considered, it was far better, far more enlightened and far more interested in the welfare of the people than the administration of any other province in Russia. But it was an administration – a branch of the tree which had its roots in St Petersburg – and that was enough to paralyse all its excellent intentions, enough to make it interfere with and kill all the beginnings of local life and progress. Whatever was started for the good of the country by local men was looked at with distrust and was immediately paralysed by hosts of difficulties which came, not so much from the bad

intentions of the administrators, but simply from the fact that these officials belonged to a pyramidal centralised administration. The very fact of their belonging to a government which radiated from a distant capital caused them to look upon everything from the point of view of functionaries of the government who think first of all about what their superiors will say and how this or that will appear in the administrative machinery. The interests of the country are a secondary matter.

Parallel with his knowledge of the inefficiency of the central administration bodies, his observations on the free association of those engaged in common interests which he made throughout his long journeys in Siberia and Manchuria also contributed to the formation of his anarchist personality. He saw clearly the role played by the anonymous masses in great historic events and in the development of civilisation. This realisation, as we shall see later, influenced the whole of his sociological criticism and was fundamental to his method of historical research.

He came to the West, to Switzerland, and contact with the Jura federation, the militants of which were influenced by the libertarian federalism of Bakunin, exerted a powerful influence on his federalist and libertarian tendencies. Already by 1872 this organisation had adopted a clearly autonomist and anti-authoritarian orientation (Kropotkin saw in this experiment the first signs of anarchism). One should note that the centralised – one could almost say tyrannical – domination by the General Council of the International had a considerable influence on this orientation.

On his return to Russia, and in touch with the groups of left-wing intellectuals, he realised anew the uselessness of the attempts made by those who tried to regenerate the country through the *zemstvos* (district provincial councils). Such work was suspected of being separatist, of trying to form a state within the state, and he was persecuted to such a point that any attempt to improve the rural administration with regard to health services or schools was a miserable failure and carried with it the ruin of entire groups of members elected to the *zemstvos*.

Notwithstanding the disappointments attendant on his administrative experience, before he left Russia Kropotkin set to work once more. Having inherited his father's property at Tambov, he went to live there and devoted all his energies to the local *zemstvo*. But he was compelled once more to realise the impossibility of setting up schools, co-operatives or model factories without creating new victims of the central government.

From the articles that Kropotkin published between 1879 and 1882 in *Le Révolté* of Geneva, it seems clear that the administrative system of the west only provided him with new material for his criticisms against the state, and confirmed him still further in his federalist and libertarian ideas. Wherever centralism existed he found a powerful bureaucracy.

It creates an army of office-holders, sitting like spiders in their webs, who have never seen the world except through the dingy panes of their office windows and only know it from their files and absurd formulae – a black band, who have no other religion except money, and no other thought but of sticking to any party, black, purple or white, so long as it guarantees a maximum salary for a minimum of work. (*Paroles d'un Révolté*)

Centralism, resulting in excessive bureaucracy, appeared to Kropotkin as one of the characteristics of the representative system. He saw in the parliamentary regime the triumph of incompetence, and he described with picturesque irony the administrative and legislative activities of the Deputy who is not called upon to judge and deal with matters for which he is specially fitted, but is asked to vote on a series of questions of an infinite variety arising from those elephantine machines that are the centralised state.

He will have to vote taxes on dogs and the reform of university education without ever having set foot in a university or ever knowing a country dog. He will have to give his opinion on the advantages of the Gras rifle and on the site for the state stables. He will have to vote on the phylloxera on grain tobacco, primary education and urban sanitation; on Cochin China and Guyana, on chimneys and the Paris Observatory. He has never seen soldiers except on manoeuvres, but he will dispose army corps; never having met an Arab, he will make and re-make the Mussulman legal code in Algeria. He will vote for the shako or the kepi according to the tastes of his wife. He will protect sugar and sacrifice grain; will destroy the vine under the impression that he is protecting it; will vote for afforestation against pasturage and protect pasturage against the forest. He will have to show his ability in banking. He will sacrifice a canal or a railway without knowing in what part of France they are situated. He will add new articles to the legal code without ever consulting it. A veritable Proteus, omniscient and omnipotent, today a soldier and tomorrow a pig-man, successively a banker, an academician, a street-sweeper, doctor, astronomer, drug-manufacturer, tanner or contractor according to the orders of the day in Parliament, he never knows a moment's hesitation. Accustomed in his capacity as lawyer, journalist or public orator to speak of things he knows nothing of, he votes for all these and other questions as well with only this difference: while in the newspapers he merely amused with his gossip, and in the court-room his voice only awoke the sleeping judges, in parliament he will make laws for thirty or forty million inhabitants. (*Paroles d'un Révolté*)

But the western countries, together with the ridiculous administrations of the centralised parliamentary regimes, revealed to him the immense strength, vaster and more complex, observed in the Russian *Mir*: that of the free associations which 'extend themselves and cover every branch of human activity' and which made him declare that 'the future is in the hands of free associations and not of centralised governments'. Especially the years spent in England, a country where the independence of the people and the enormous development of free initiative could not fail to strike the foreigner coming from Slav or Latin countries, made Kropotkin attach great, sometimes even excessive, importance to associations.

From his direct knowledge of the western world, Kropotkin added a new tendency to his studies. A geographer in Russia, he became an ardent historian in Britain. He wished to understand the state and knew that in order to do so 'there is only one way: that of studying it in its historic development'. He discovered with enthusiasm that the general tendency of science is that 'of studying nature not from its large results and great conclusions, but rather through single phenomena, through separate elements'. History also ceases to be the history of dynasties and becomes the history of peoples. So much the better for historical method, but also for the federalist conception, for it will become obvious that great progressive changes have not taken place in courts and parliaments but in the city, in the countryside. Devoting himself to historical studies, Kropotkin saw in the excessive centralisation of the Roman Empire the cause of its collapse, and in the epoch of the communes the renaissance of the western world:

It is in the enfranchisement of the communes and in the uprisings of the people and the communes against the state, that we find the most beautiful pages of history. When we look at the past, it is not to Louis XI or Louis XIV or to Catherine II that we turn our eyes, but rather to the communes or the Republics of Amalfi and Florence, Toulouse and Lyon, Liege or Courtrai, Augsburg and Nuremberg, Pskov and Novgorod.

In trying to draw examples from medieval society, Kropotkin fell into various errors of interpretation (especially in his pamphlet *The State: Its Historic Role*) due more than anything else to the fact that the texts he consulted (such as the writings of Sismondi) were not so advanced as the historical studies of today. There is no need, however, to share the superficial view that Kropotkin envisaged the epoch of the communes as a kind of golden age:

It will be said, no doubt, that I forgot the conflicts and the internal struggles

with which the history of the communes is filled; the embittered battles against the nobles, the insurrections of the 'young arts' against the 'old arts', the bloodshed and the reprisals which always occurred during those struggles ... No, I forget nothing. But like Leo and Botta – the two historians of Southern Italy – like Sismondi, Ferrari, Gino Capponi and so many others, I hold that these struggles were in themselves the proof of the freedom of life in the free cities. (*The Conquest of Bread*)

It was these internecine struggles, according to Kropotkin, that permitted the intervention of the king and the tendency of the communes to enclose themselves within their walls (see *Paroles d'un Revolté*).

Another historical field explored by Kropotkin was the French Revolution. He was opposed to the bourgeoisie of 1789 whose:

... ideal was to abolish all the local powers which at that time constituted so many autonomous units in the state. They meant to concentrate all government power in the hands of a central executive authority, strictly controlled by Parliament, but also strictly obeyed in the state, and combining every department – taxes, law courts, police, army, schools, civic controls, general direction of commerce and industry – everything. (*The Great French Revolution*)

He reproached the Girondins for the attempt to dissolve the communes and demonstrated that their federalism was merely an opposition slogan and that in their actions they showed themselves to be as much in favour of centralisation as the Montagnards.

According to Kropotkin the communes were the soul of the French Revolution and he gave extensive illustrations of the communalist movement, seeking to show that one of the prime causes of the decadence of the cities was the abolition of the plenary assembly of citizens which controlled justice and the administration.

The epoch of the communes and the French Revolution were for Kropotkin, as for Salvemini, the two historical fields in which he found the confirmation of his own federalist ideas and the elements of the development of his libertarian conception of life and politics. But there always remained alive in him the record of his observations on the Russian *mir* and of the free associations among primitive peoples, and these recollections confirmed in him his federalism which sometimes makes him err into a populist naivete as in *The Conquest of Bread*.

★ ★ ★

When he studied the various socialist theories Kropotkin adopted a negative attitude towards the Saint-Simonians and the so-called

Utopians, in particular Cabet, because they founded their systems on an administrative hierarchy; but he showed on the contrary great enthusiasm for the communalist theories of Fourier (see *Modern Science and Anarchism*). He opposed state collectivisation because although it decidedly modified the capitalist regime 'it does not abolish the wage system', because 'the state, that is to say the representative government, national or communal, puts itself in the place of the boss', so that its representatives and bureaucrats absorb, and render necessary, the surplus value of production (see *Conquest of Bread* and *Modern Science and Anarchism*). Also true of the socialist state is the following remark:

How much work do we yield to the state? No economist has ever tried to work out the number of work-days that the worker in field or factory gives every year to this Babylonian idol. It is in vain that one searches through books of political economy in order to arrive at an approximate estimate of what man, the producer of all wealth, gives of his labour to the state.

A simple estimate based on the state budget of a nation, of the provinces and communes (which contribute to the expenses of the state) would have no significance because one would have to work out not what goes every year into the Treasury coffers, but what every shilling paid to the Treasury represents in real value by the taxpayer. All we can say is that the amount of work given every year by the producer to the state must be enormous. It must reach, and for certain classes exceed, the three days work a week that the serf used to give his lord. (*Modern Science and Anarchism*)

Even the socialist state would try to increase its exactions because 'every party in power is obliged to create new jobs for its supporters' and it not only would burden the economic life of the country with administrative expenses, but also set up an oligarchy of incompetents. What is needed, on the contrary, is the 'collective spirit of the masses acting on concrete affairs'.

The collective spirit is a generic term which in *The Conquest of Bread* became 'the people', 'the commune', 'society', etc., which administers justice, organises everything and resolves the most complex problems. It is a kind of divinity which Saverio Merlino described with just irony as playing the part of the chorus in Greek tragedy, and which the most profound anarchist theoreticians are far from adoring. But if Kropotkin's federalism lacks precision and puts excessive faith in the political capacities of the people, it is nevertheless remarkable for its breadth of view. No federation can be consistent if it is not integral. And it can only be such if it is socialist and revolutionary.

The integral nature of Kropotkin's federalist ideas is proved by many

passages in his writings. The following declarations are the most explicit. 'Federation and Autonomy are not enough. They are only words which cover the authority of the centralised state'. 'Today the state has succeeded in controlling every aspect of our lives. From the cradle to the grave it holds us in its grip. Sometimes under the guise of the centralised state, sometimes as a provincial or cantonal government, sometimes as a state-commune, it follows our every step, appears at the street corner, holding and tormenting us.' The free commune is, according to Kropotkin, the 'political form which the social revolution should take'. He exalts the Paris Commune because its communal independence was a means, and the social revolution the aim. The commune of the twentieth century 'will not only be communalist but communist'. Revolutionary in politics, it will also be so in the field of production and exchange. Either the commune will be absolutely 'free to give itself the institutions it desires and to make all the reforms and revolutions it finds necessary' or else 'it will remain merely a branch of the state, hampered in all its actions, always on the verge of coming into conflict with the state and certain to be defeated in its struggle with it'. For Kropotkin, then, the free communes were the necessary channels through which the revolution could reach its maximum development.

His federalism aspires to 'the complete independence of the communes, the federation of free communes and the social revolution in the communes, that is to say the formation of associated productive groups in place of the state organisation'.

Kropotkin said to the peasants:

At one time, the land belonged to the communes, composed of those who themselves cultivated the land with their own hands, but thanks to fraud, molestation and violence, the communal lands have become private property. The peasants must therefore organise themselves in communes and take back this land in order to put it at the disposal of those who are willing to work it ... Do you need a road? Then the inhabitants of the neighbouring communes will reach an agreement between themselves and will make one better than the Minister of Public Works. Do you need a railway? The communes concerned in a whole region will make one better than the contractors who pile up millions building bad railways. You will need schools? You can make them yourselves as well as these Paris gentlemen and make them better than they. The state has nothing to do with all this: schools, roads, canals could be built better by yourselves and at less expense.

These passages from *Paroles d'un Revolté* make it clear that in those places in *The Conquest of Bread* where he says that the commune will

distribute goods, ration wood, regulate the pasture land, divide the land, etc., he does not mean the commune as a 'branch of the state' but a free association of the members concerned, which may be either a co-operative or a corporate body, or simply a provisional union of several people united by a common need.

Kropotkin, although he realises the seriousness of them, is not too concerned with the dangers inherent in the autonomy of small groups. There is a characteristic passage on the subject:

Even in our time parochial feelings may give rise to much jealousy between two neighbouring communes, prevent their direct alliance, and even give rise to fratricidal struggles. But even if these jealousies can effectively prevent direct federation between two neighbouring communes, it is by means of the great centres that this federation will stabilise itself. Today, two very small neighbouring boroughs have nothing which unites them directly; the few relations they have between themselves will serve more likely to cause conflict than to draw closer the bonds of solidarity. But both of them have already a common centre with which they are in constant touch and without which they could not exist; in spite of all parochial jealousies they will be constrained towards union by means of the great city, where they provision themselves and whither they bring their products; each of them must take part in the same federation in order to maintain their own relations with this centre of co-ordination, and unite themselves within it.

Here again we have a simplification of the federalist problem. But in order to judge Kropotkin fairly one must take account not only of what he has written but also of what he has been unable to write. Some hasty statements, some lacunae, some over-simplification of complex problems are not due only to his habit of mind but also to the material impossibility of developing his point of view. Kropotkin almost always wrote for newspapers intended to be read by workers. Being profoundly democratic, he always voluntarily renounced the mantle of the doctrinaire in order to roll-up his shirt sleeves. Malatesta, who was also an original theoretician and a cultivated man, did the same. Even his pamphlets do not represent the whole expression of his ideas, a complete exposition of his researches. He himself explains the reason in his *Memoirs*:

I had to elaborate a completely new style for these pamphlets. I confess that I often regarded with envy those writers who had as many pages as they liked at their disposal for the development of their ideas, and those who could use Talleyrand's excuse 'I had no time to be brief'. When I had to condense the work of several months, for example, on the origin of law for a penny-pamphlet, I needed quite a lot of time for abbreviation.

Kropotkin met with those material difficulties only towards 1884. Afterwards for almost thirty years he had the leisure to write weighty tomes, but in this second period he was more a theoretician than an agitator, and his thoughts were more occupied with historical researches and scientific studies. *Les Paroles d'un Revolté* remains his best anarchist work for freshness of expression and ideological coherence.

Kropotkin understood that the federalist problem was a technical one, and in fact he declares in his book *Modern Science and Anarchism* that man will be compelled to find new forms of organisation to continue the social functions which the state fulfils through the bureaucracy and that 'as long as this is not done nothing will be done'.

But in his life – partly adventurous, partly strictly scientific – he was not able systematically to develop his federalist conception, and his own conception of anarchism in which the vital spirit of the people constitutes the essence of evolution was opposed to the development of his federalist ideas for the future.

* * *

What was Kropotkin's attitude towards the European war and the Russian revolution? I think it is interesting to consider it because his federalist thought contributed in forming his attitude. In his *Memoirs* Kropotkin wrote:

The conflict between the Marxists and the Bakuninists was not a personal issue. It was the inevitable conflict between the principle of federalism and that of centralisation, between the free communes and government by the state, between the free action of the masses of the people advancing towards their emancipation and the legal perfection of existing capitalism – a conflict between the Latin spirit and the German spirit.

At the outbreak of war Kropotkin regarded France as the repository of the Latin spirit, that is to say of the revolution, and Germany as the triumph of state worship, that is to say of reaction. His attitude was that of the 'defenders of democracy'. At the beginning he joined with the chauvinists of the Entente and fell like James Guillaume (author of the unfortunate pamphlet *Karl Marx Pangermaniste*) into exaggeration.

Some have thought to see in Kropotkin's attitude in 1914 an analogy with that of Bakunin in 1871. Bakunin was in favour of the revolutionary defence of France after the Paris revolution had overthrown the monarchy, and he was also opposed to the republican government of Paris and urged insurrection against it in order to oppose the German army with the revolution of the people.

With his pro-war attitude Kropotkin separated himself from anarchism, and he even went to far as to sign the 'Manifesto of the Sixteen' in 1916, a document which marks the culmination of incoherence among the pro-war anarchists. He also supported Kerensky in Russia on the question of prosecuting the war.

But in the one-sidedness of his position one can see the conviction of his federalist faith. He opposed Germany because he saw in her a danger to the autonomy of peoples and the principle of decentralisation. In his letter to the Swedish professor G. Steffen (*Freedom*, October 1914) he declared:

For the states of Eastern Europe, and especially for Russia, Germany was the chief support and protection for reaction. Prussian militarism, the mock institution of popular representation offered by the German Reichstag, and the feudal Landtags of the separate portions of the German Empire, and the ill-treatment of the subdued nationalities in Alsace, and especially in Prussian Poland, where the Poles were treated as badly as in Russia – without protest from the advanced political parties – these fruits of German imperialism were the lessons that the modern Germany, the Germany of Bismarck, taught her neighbours, and, above all, Russian absolutism. Would absolutism have maintained itself so long in Russia, and would that absolutism ever have dared to ill-treat Poland and Finland as it had treated them, if it could not produce the example of 'cultured Germany', and if it were not sure of Germany's protection?

And foreseeing the criticism 'are you forgetting the Russian autocracy?', he wrote:

No one imagines that after the present war, in which all the Russian parties have unanimously risen against the common enemy, it will be possible to return once more to the old autocracy; that is physically impossible. Those who have made a serious study of the revolutionary movement in Russia in 1905 know what were the dominating ideas during the first and second Dumas which were elected under comparatively free conditions. They surely know that home rule for all the sections which make up the Empire was the fundamental policy of all liberal and radical parties. But there is more than that. Finland has achieved her revolution in the shape of a democratic autonomy, and the Duma has endorsed it.

Furthermore, those who know Russia and the latest tendencies there, certainly understand that the *old autocracy will never be re-established in the pre-1905 form, and that a Russian Constitution will never be able to take on an imperialist form, and assume the spirit which parliamentarianism has in Germany.* In our opinion, and knowing Russia as we do, we are convinced that Russia will never become aggressive and bellicose like Germany. Not only does the whole of Russian history show this, but the way in which the Russian

Federation is constituted precludes the development of the militarist spirit in the very near future.

For Kropotkin, Russia was the country of the *Mir*, the country which had offered him a wide field for observation of the results and possibilities of initiative on the part of the people.

The European war drew him away from his political family; the anarchist movement. The October Revolution in Russia drew him back to it once more.

* * *

Kropotkin, even in his earliest writings, fought against the illusion that the secret revolutionary societies would be able, once the Tsarist tyranny had been destroyed, to substitute for the defeated bureaucratic machine a new administration made up of honest and intransigent revolutionaries:

... others – the careful ones who work to make a name for themselves whilst the revolutionaries work in the dark or perish in Siberia; others – the intriguers, the demagogues, the lawyers, the men of letters who occasionally shed a soon-dried tear over the tomb of the heroes, and pass for friends of the people – these are the people who will occupy the vacant seats in the government and will cry 'Back!' to the nameless ones who have brought about the revolution.

Kropotkin's prophecy has been amply borne out in Russia and our comrade was in the opposition, an opposition which would have had important repercussions if his unqualified support for the war had not destroyed his political prestige.

In an interview with Augustin Souchy published in *Erkenntnis Befreiung* of Vienna, Kropotkin said:

We should have communal councils. These should work independently. They should for instance see to it that, in the event of a poor harvest, the population did not lack the bare necessities of life. Centralised government is, in this case, an extremely cumbersome machine, whereas, on the other hand, a federation of the councils would create a vital centre.

In his meeting with Armando Borghi, Kropotkin placed great stress on the role of the syndicates as the cells of the autonomous and anti-authoritarian social revolution. In one of his last letters (23rd December 1920) addressed to the Dutch anarchist De Reijger, which was published in the *Vrije Socialist*, Kropotkin wrote: 'The Social Revolution in Russia has unfortunately assumed a centralised and authoritarian character'.²

Kropotkin's views on the Russian Revolution are expressed in his message to the Western Workers, handed to Miss Bonfield on 10th June 1920, when she and other delegates of the Labour Party came to greet him in his retreat at Dimitrov. This message is a remarkable document for the history of the Russian Revolution.

Kropotkin, recognising that though the attempt to establish a new society through the dictatorship of a Party is doomed to failure, one cannot nevertheless deny that the revolution introduced new conceptions into Russian life on the social function and on the rights of the worker as well as on the duties of the individual citizen, then expressed his idea with a clear but intransigent criticism of Bolshevism as a party dictatorship and centralised government.

The first general problem concerns the different nationalities that make up Russia. On this question Kropotkin writes:

A re-establishment of relations between the American and European nations and Russia must certainly not mean an admission of the superiority of the Russian nation over the nations of which the Empire of the Russian Tsar was composed.

Imperial Russia is dead and will never be revived. The future of the various provinces which composed the Empire will be directed towards a large federation. The natural territories of the different sections of this federation are in no way distinct from those with which we are familiar in the history of Russia, of its ethnography and economic life. All the attempts to bring together the constituent parts of the Russian Empire, such as Finland, the Baltic provinces, Lithuania, Ukraine, Georgia, Armenia, Siberia and others, under a central authority are doomed to certain failure. The future of what was the Russian Empire is directed towards a federation of independent units.

Consequently it would be in the interests of all the western nations that they should declare first of all their recognition of the right of each portion of the former Russian Empire to govern itself.

But Kropotkin's federalism goes beyond this proposal for ethnographic autonomy. He points out the necessity to anticipate, in a not distant future, 'a time when each component of the federation will itself be a federation, a free federation of rural communes and free cities, and I believe too that western Europe will also move in this direction'.

And then follows an outline of the revolutionary tactics of the autonomous federalists and a criticism of the centralised state-worship of the Bolsheviks:

The Russian Revolution – the continuation of the two great English and French revolutions – is struggling to progress beyond the point where the

French Revolution stopped when it had reached the idea of *real equality*, that is to say, of economic equality.

Unfortunately this attempt has been made in Russia under the highly centralised dictatorship of the Bolshevik Party. The same attempt had been made by Baboeuf and his followers; a centralised and Jacobin attempt to build a communist republic on a highly centralised state foundation, under the stringent laws of a party, is proving itself a colossal failure. The Russian experiment teaches us *how communism should not be imposed*, even on a people who are tired of the old regime and impotent to offer active resistance to the experiment of the new rulers. The idea of the Soviets, or of the workers' and peasants' councils, already foreshadowed during the revolutionary experiment of 1905 and completely achieved in February 1917, was a wonderful idea. The very fact that these councils must control the political and economic life of the country assumes that they must be composed of all who personally take part in the production of the national wealth.

But so long as a country is submitted to the dictatorship of a party, the councils of workers and peasants must obviously lose all meaning. Their role is reduced to the passive one, represented in the past by the state-general or the parliaments, convoked by the monarch and obliged to keep up with an all-powerful Royal Council.

A workers' council cannot be a free and effective consultative body when it lacks the freedom of the press, a situation existing in Russia for the past two years, on the grounds that a state of war exists. And when elections are held under the autocratic pressure of a party, the workers' councils lose their representative strength. Attempts are made to justify this state of affairs by saying that in order to combat the old regime dictatorial law is necessary. But it constitutes a retrogressive step when it concerns the building up of a new society on a new economic basis. It is equivalent to the death sentence on reconstruction.

The methods used to overthrow, and take over from, a government which is already weak, is known from ancient and modern history. But when it is required to reconstruct on new conceptions of life, particularly in regard to production and exchange of commodities, without having any previous examples as a guide; when each problem must be solved in a short time, then an all-powerful and highly centralised government which deals with every small detail will itself be absolutely incapable of doing this through its functionaries. However numerous they may be, they become an obstacle. The outcome is a vast bureaucratic machine compared with which the French system which requires the intervention of forty functionaries to sell a tree which has been blown down in the roadway in a gale, pales into insignificance. And you, workers of the west, can and must avoid this happening with all the means at your disposal, since all of you must be concerned with the success of the social revolution.

The enormous reconstruction work needed in a social revolution cannot be achieved by a central government, even if as a guide in this work it had

something more substantial than a few socialist and anarchist pamphlets.

What is needed is that the mass of local forces should have the knowledge, the intelligence, the will to co-operate which alone can overcome the difficulties arising from the various local problems.

To set aside co-operation and to trust instead to the genius of party dictators is synonymous with destroying the independent groups such as the syndicates called professional unions in Russia, and the local consumers' co-operatives and transforming them into bureaucratic organs of the party as is happening at the present time. This is not the way to achieve the revolution, but the way to render its achievement possible. For this reason I consider it my duty to advise you never to adopt such a line of action.

These were the opinions of Kropotkin on the Russian Revolution, and the basis of all his propaganda. And these are the ideas which animated and still inspire the anarchist opposition in Russia.

* * *

The aged Kropotkin, sick and destitute, died during a period of inactivity after having attempted to set in motion a federalist movement but without being able to achieve anything on account of his lack of liberty and because his unqualified support of the world war had destroyed all his political prestige. But the federalist problem, both in the field of nationalities and in that of political and economic organisation, is the vital problem in Russia. When experience and the opposition have led the Russian communists definitely away from their doctrinaire schemes and the union of the Russian organisations take the first steps on the road to the new revolution, the personality of Peter Kropotkin will rise to its full height and his thought will inspire the new reconstruction. In Kropotkin's federalism there is excessive optimism, there are simplifications and contradictions, but there is also a great truth: that freedom is a condition of life and development for all people, that only where a people governs itself and for itself is it safe from the scourge of tyranny and certain of its progress.

Notes

1. V.A. Tilgher, 'Un filosofo dell' anarchismo in *Il Tempo*, Rome, July 1921.
2. Kropotkin expressed his own hostility towards the coercive economy of the Bolshevik government in an interview with the *Daily News* correspondent W. Meakin. See also the interesting interviews with Alexander Berkman, in the *Libertaire* of 22nd February 1922.

Thom Holterman

A Free United Europe

Slogans about European unity have been imposed on the public for years. Among anarchists it is a highly suspect subject because of the one-sided character of the discussion. It is dominated by the economics of capitalism. It suppresses ecological thinking and blocks the way to *social* change. Anarchists are not alone, neither in their opinions nor in their ideas about the desirable political organisation of a 'New Europe'.

Municipal autonomy

The discussions about a New Europe concentrate on different concepts of federalism. But how new are these 'new' ideas about the political organisation of Europe? In the second half of the last century well-known anarchists like Proudhon and Bakunin paid attention to the political organisation of the New Europe. The interesting thing is that their federalist ideas are now getting serious attention in non-anarchist circles. For instance, an author called J. Bancal presents the views of Proudhon in a memorial volume dedicated to a Swiss constitutional lawyer, Adolf Gasser, and concludes his contribution rhetorically: 'Proudhon, prophet of the 21st century?'

The volume called *From the Free Municipality Towards a Federalistic Europe* (Berlin, 1983) celebrates Gasser's fifty years of advocacy of a communalistic view of democracy. His first book on the subject was called *Municipal Autonomy, the Redemption of Europe*, dated 1938. The contributions demonstrate how his ideas were influenced by those of Proudhon, and how they have turned out to be fruitful for later authors. It is a manifestation of a cultural tendency against the grain of political thinking.

The kernel of these ideas is the following line of thought: people must be able to determine their own destiny and to move freely. They therefore have to cooperate and undertake a number of activities together. Individual freedom and the necessity of cooperation lead to organisational patterns of voluntary coordination. Individual freedom has to be shaped within clear organisational structures, in order to call

upon the social responsibility of every person. The principles of smallness of scale and transparency are not applied out of small-mindedness, but on rational and practical grounds: one knows that one can hold others responsible for their actions.

This principle can be elaborated systematically in the field of political organisation, leading to a new image of the political structure of Europe. This task engaged both Proudhon and Gasser. Put briefly, the principles of small-scaleness and transparency are served by municipal autonomy. And in line with this, the connection between municipalities has to take a federal form.

The province

The concept of the province serves several different goals. One is that of the retention of the identity of local and regional communities. Another is the protection of the individual against 'the state', just because the local community is interpolated between them. It is in this respect that federalism is used as a structuring principle. It is this very principle that Bakunin chose as his point of departure when he deals, for instance, with the role of the province.

Just like Proudhon, Bakunin made use of theoretical ideas about federalism in the political debate of his day. In his reflections on federation, the province gets a mediating role on behalf of the municipality. In his day Bakunin was involved in the topical political debate about the unification of Italy. The unifiers sought to neutralise the many little states. Those who played down the role of the province were at loggerheads with Bakunin, whose starting point was that a municipality on its own cannot stand up against a central authority. So he allots to the province the task of protection against the centre.

Thus advocacy of the importance of the province in political structures is not the result of small-mindedness (even though small may be beautiful or sociable). It originates from ideas about the necessity of 'checks and balances', and it has links with views about the formation of systems with a balance of power.

Schemes for balanced power originate from the notion that some matters must be centrally regulated. One cannot decentralise air traffic, as the American anarchist Paul Goodman once remarked. In such cases counter-forces must be developed; counter-forces which can bring to a halt unjust pressures from a central power. This entails the institution of a balanced power system. The federal principle fulfils an organisation function here.

Federalism

We are witnessing a revival of notions about federal structures. One reason is the attention demanded by the attempts to evolve a system for the political organisation of Europe as a whole. There is also a process going on in Belgium where the decentralisation of power is putting a strain on the existing political spectrum. That country shows a tendency towards exchanging the unitary state for a federal union.

Noting these developments in European politics it is not surprising that the philosophical concept of federalism also gets attention. So we see non-anarchists reverting to the ideas of Proudhon, for example. What precisely do they derive? For an answer I summarise an article by Van Bellinghen, a philosopher of law at the Free University of Brussels (published in *Rechtsfilosofie en Rechtstheorie*, no. 3, 1991). He discerns a pragmatic character in Proudhon's version of the federalistic principle: a federal unity is founded for a practical purpose in which many participants bring their resources together without giving up diversity. As opposed to American federalism, aimed at the constitution of a state, the theory of Proudhon in the context of the Europe of his days, refers to a kind of state-dismantling federalism.

Proudhon does not confine his ideas to political organisation. His federalism is more extensive. For example, to realise political federalism he thinks it necessary to tackle the social problem along the same lines. Because of this he advocates mutualism (reciprocal service) in the socio-economic field, in the form of an agrarian-industrial federation. Here anarchism and federalism unite in an 'integral federalism'. On the one hand, a fair and efficient organisation of the economy would make the state, as a one-sided imposed power, superfluous. On the other hand a truly democratic style of political organisation would be built up as a federal structure, based on the level of municipalities.

Van Bellinghen writes appreciatively of the impressive and rich attitude of mind that characterises such works of Proudhon as *Du Principe Fédératif* of 1863. He advises us to re-read Proudhon while such issues as federalism and the political unity of Europe are under discussion again.

★ ★ ★

Before discussing the New Europe from an anarchist point of view it is useful to look at the definitions of concepts. Anyone who follows the debate knows that the British government, especially, protested

against a federal character in the European Political Union (EPU). The English government found it too centralistic, in the sense that the national entity would be affected too much by the federalistic structure. So it is important to make clear the theoretical difference between a so-called federation and a confederation.

As opposed to a confederation, a federation has its own constitution. Single members can withdraw unilaterally from a confederation. The sovereignty of each member remains complete. However, in a federation sovereignty is partially assigned to the supra-nation organs of the federation. The Dutch don't bother about this, the English do.

What is called a 'federation' in the present debate about Europe unquestionably shows a centralist tendency, by which the possibility grows that everything will be directed by and from Brussels. This could result in precisely what anarchists oppose: an even larger version of the unitary state. Does this mean that anarchists should support the resistance of the British government of John Major, or of various extreme right-wing parties concerned with the protection of a cultural identity?

We cannot deny that there are parallels in respect of some of the values they defend. But the differences are obvious, because Major's England and the extreme right-wingers do not reject a capitalist economy and are not by definition 'democratic'. By this I mean that, for instance, they have a high esteem for monarchy, while anarchists present themselves as fiercely anti-monarchist.

Principles

How can anarchists present their profile more sharply in relation to the present debate about the New Europe? For an answer to this I want to start from at least five principles. With these I reinforce the thesis that anarchism is a rational political theory. The principles are:

1. the principle of the original authority of the individual;
2. the principle of delegated power;
3. the principle of diversity;
4. the principle of cooperation;
5. the principle of solidarity.

The principles of delegated power and the principle of diversity can just as well be derived from 'constitutionalism', as constitutional lawyers call it. They are also known as the principle of separated power and the principle of differentiation. Constitutionalism helps to express the idea that power is always transferable power, and that the

differentiation of power is needed to avoid a concentration of power. The principle of cooperation is a principle that is also used in international law. It says that nations establish international organisations to achieve common goals. The first principle, which says that original authority is with the individual, is not generally accepted outside anarchistic circles.

Confederal structure

Because only individuals possess original authority, all other authorities are diverted authorities. So any form of political organisation commands, at the utmost, diverted, non-original authority. People have to cooperate in order to survive. This cooperation leads to institutionalisation and organisation. A growing cooperation always has to expand from the basic organisations, for example municipalities (as territorial entities) and companies (as functional entities). Cooperation leads to professionalism. In this way the principle of delegated power and the principle of cooperation unite. Society is built up from the bottom, and because of the many relatively small groups, society takes on a pluralistic character.

Anarchists apply the principle of diversity to fight the concentration of power. One of the reasons for organising society according to this principle has been known for a long time: power corrupts, and absolute power corrupts absolutely. Anarchists want to block the concentration of power with the help of this principle of diversity. If you complete the picture of society that arises from the combination of these principles, you arrive at a confederal structure. When classical anarchists, like Proudhon, Bakunin and Kropotkin, and later thinkers speak about the big social entities, they speak – not very surprisingly – about ‘confederation’.

Regions

Strikingly, the argument between a number of parties in Europe deals with this subject. Will Europe get a centralistic or a confederal structure? Will the notion of a polycentric (many-centred) or a monocentric (one-centred) state system dominate? In the first case the starting point is at the level of the municipalities that form the regions that make up Europe. In this case we might speak of a ‘federalism without Brussels’. The notion of communalism that we saw from the Swiss lawyer Gasser, through which municipality serves

as the base of the social structure, can now be supplemented with the idea of confederation. In the second case (the monocentric state system) the image of a 'Brussels-centred federalism' will arise, resulting in a loss of function for the participating states.

Anarchists, like others, reject a 'Brussels-centred federalism'. Those others, however, stick to the idea of the nation state, and their one and only goal is to arrive at an international common market, ruled by a capitalist economy. Because they think the loss of function of the nation state unacceptable they resist the idea of a United Europe. Anarchists, however, who feel no bond with a nation state, will agree with the idea of a United Europe on the basis of a confederation, elaborated as a polycentric political system. This would mean that the regions, formed by the municipalities, represent the multitude of centres. Because of this, people sometimes speak of a 'Europe of the regions'. The traditional nation state loses its functions; it has dissolved.

Questions arise for some anarchists. Why is it necessary to think in terms of large structures? There are various reasons. First, it is necessary to tackle problems like pollution that do not stop at territorial borders. Secondly, anarchists can have no objection to the demolition of national frontiers. If anarchists take the principle of solidarity seriously, the fight against economic and social poverty must have a 'cross-frontier' character. In a certain way, of course, this stimulates centralising powers. But two trends develop out of the anarchist principle. On one hand a communistic tendency in which the importance of the municipality grows, on the other hand a confederal tendency through which the issue of transnationalism is served.

Minorities

Is it possible to stimulate cultural diversity with these two trends in mind? I think so. In an organisational way this can be done by elaborating regional thinking in more detail. This can be done with instruments which lawyers devised a long time ago for other situations. I will mention some of these instruments.

As already envisaged, municipalities will form regions which will weld themselves together with confederational bonds. Treaties will be used for this (contracts, statutes, covenants or whatever they are called). This is no wishful thinking. It already happens, in terms of inter-communal structures and in terms of cross-frontier cooperational bonds.

In the first place, the confederal structures themselves guarantee the autonomy of the participants. The autonomous participants themselves take care that they are not snowed under by the confederal level. Here the old principle of subsidiarity can be applied: what a smaller entity can do should not be done by a larger entity. In the second place, in these treaties safeguarding clauses for certain subjects can be included. The effect of such a clause is that a participating party that does not vote positively cannot be forced to follow this decision. Another instrument is the principle of the blocking minority: a decision cannot be forced by a majority if there is a certain minority. These instruments serve to protect the interests of minorities with a confederation and to assure the continuance of cultural diversity.

It seems to me that anarchists do not have to reject these constructions and instruments, because they can be considered as elaborations of the anarchistic principle that you cannot be the subject of a decision that you have not supported. This applies as much to the small scale (the municipality) as to the larger scale (the federation). Anarchists don't have to be ashamed of a Europe that is modelled in this way.

Colin Ward

Federalism, Regionalism and Planning: an anarchist perspective

Anarchism is a political ideology related to the traditions of both nineteenth century liberalism and socialism. As a word it originates in the Greek phrase meaning 'contrary to authority', and as an ideology it seeks a self-organising society, rather than a society dominated by the authority of either the state or the market. It implies a network of autonomous free associations gathered together for the satisfaction of human needs. If I put it in that minimal way every kind of anarchist would agree with that basic definition, as well as a lot of people who would never dream of calling themselves anarchists. Anarchism is the ultimate decentralist philosophy. The link between anarchism and planning wasn't set out by me, but by our foremost urban geographer Peter Hall.

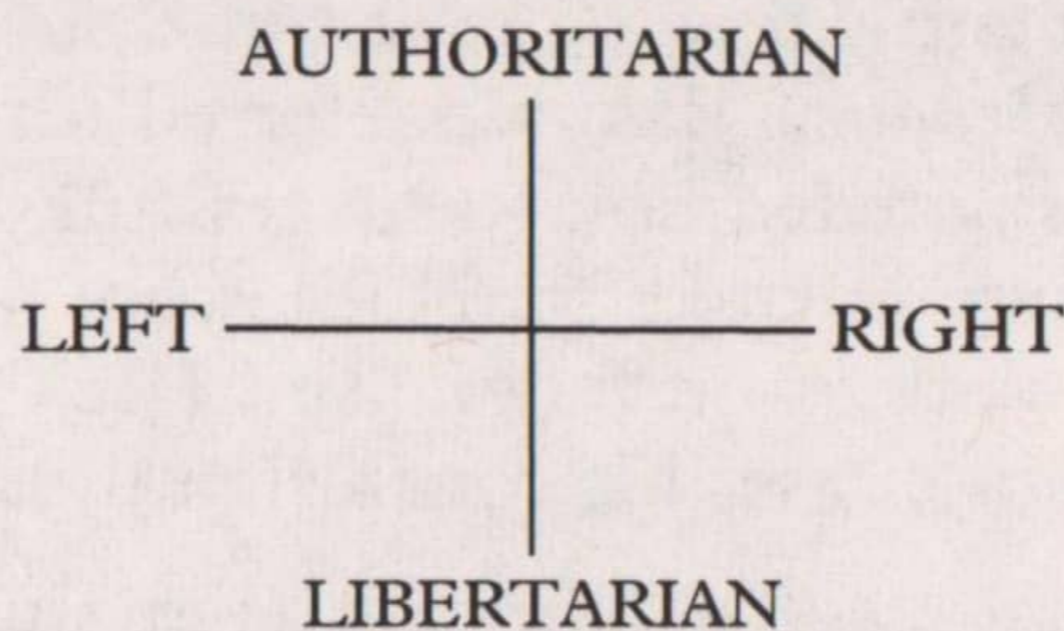
I'm thinking of his 1988 book called *Cities of Tomorrow: an intellectual history of urban planning and design in the twentieth century*. As early as page 3 of his book, Professor Hall vindicates my own approach. Under the heading 'The Anarchist Roots of the Planning Movement', he explains:

Specifically, the book will argue that in the process of belatedly translating ideal into reality, there occurred a rather monstrous perversion of history. The really striking point is that many, though by no means all, of the early visions of the planning movement stemmed from the anarchist movement which flourished in the last decades of the nineteenth century and the first years of the twentieth. That is true of Howard, of Geddes and of the Regional Planning Association of America, as well as of many derivatives on the mainland of Europe. (To be sure, it was very definitely untrue of Le Corbusier, who was an authoritarian centralist, and of most members of the City Beautiful movement, who were faithful servants of finance capitalism or totalitarian dictators.) The vision of these anarchist pioneers was not merely an alternative built form, but of an alternative society, neither capitalist nor bureaucratic-socialistic: a society based on voluntary cooperation among men and women, working and living in small, self-governing commonwealths.

A lecture given at the University of the West of England, Bristol, on 13th May 1994.

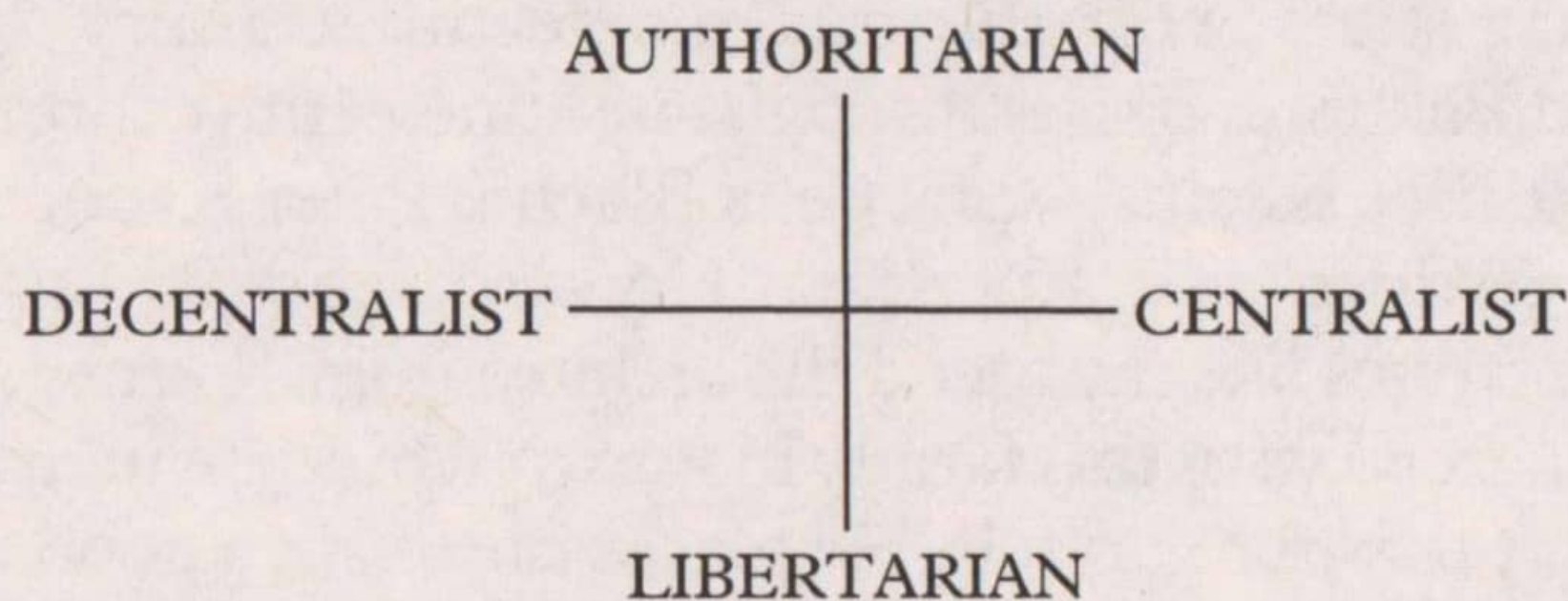
Professor Hall goes on to say that, 'When however the time at last came for their ideals to be translated into bricks and mortar, the irony was that – more often than not – this happened through the agency of state bureaucracies, which they would have hated. How this came about, how far it was responsible for the subsequent disillusionment with the idea of planning, will be a central question that the book must address.' And in the course of the book he excavates a family tree or genealogy that starts with the mid-nineteenth century anarchists, Proudhon and Bakunin, passes through late-nineteenth century regional geographers, Elisée Reclus, Vidal de la Blache, Peter Kropotkin, allies like Patrick Geddes and Ebenezer Howard, and ending, for the moment, with figures like my friend the architect John Turner ... and me.

Even if I disagreed with this family history it would be in my interests to keep my scepticism to myself. He places me in such good company. All the family members have characteristics in common, the most obvious of which are decentralism and libertarianism. These characteristics don't figure in conventional sociological and psychological studies of political attitudes. The usual classification of political attitudes is on a continuum of Left to Right. In the 1960s the experimental psychologist H.B. Gibson, who was examining the anarchist personality, suggested a more accurate way of placing them, by plotting attitudes on a table running horizontal from Left to Right and vertically from Authoritarian to Libertarian:



We might very well conclude from observation of current policies that the continuum between Left and Right is an inadequate means of labelling attitudes. For example in Russian politics today the opposition described as the Right can consist of old-style Stalinists who we used to describe as Left-Wing Authoritarians. It might be helpful to re-draw the polarities as Authoritarian and Libertarian and to make the other on Centralist and Decentralist. This would enable us to plot the attitudes of, for example, the State's Rights tendency in American political history, and indeed the existence of a Right-Wing

tendency in the politics of Switzerland, which apart from being the world's most successful example of federalism, apart from being a country which has solved ethnic, linguistic and religious incompatibilities, and apart from having overcome an inhospitable landscape and a lack of natural resources to become a far richer country than Britain, has a political system, which is the precise opposite of our own.



I should mention that my Swiss anarchist friends always deprecate my praise of that country, and show me lengthy and detailed files of secret police records about themselves which they have obtained under the Federal Freedom of Information Act, legislation that the Swiss enacted and the British didn't. However, the nineteenth century anarchist sages, coming like me from highly centralised countries, saw how much we all have to learn from the Swiss Confederation, where as you know the supreme revenue-gathering body is the *commune*, which might be a city or a village, delegating some powers to the *canton* or region, and reluctantly turning over some powers and a grudging revenue to the *federal council*. Bakunin referred admiringly to the Swiss experience, 'practising federation so successfully today', as he put it, and Proudhon too extrapolated from the lessons of the Confederation in his voluminous writings on federalism. His Canadian translator, Richard Vernon, paraphrases his conclusion thus:

Solicit men's view in the mass, and they will return stupid, fickle and violent answers; solicit their views as members of definite groups with real solidarity and a distinctive character and their answers will be responsible and wise. Expose them to the political 'language' of mass democracy, which represents 'the people' as unitary and undivided and minorities as traitors, and they will give birth to tyranny; expose them to the political language of federalism, in which 'the people' figures as a diversified aggregate of real associations, and they will resist tyranny to the end.

This observation reveals a profound understanding of the psychology of politics. It was another anarchist, Peter Kropotkin, who connects

nineteenth century federalism with twentieth century regional geography.

His youth was spent as an army officer in geological expeditions in the far eastern provinces of the Russian Empire, and his autobiography tells of the outrage he felt at seeing how central administration and funding destroyed any improvement of local conditions, through ignorance, incompetence and universal corruption, and through the destruction of ancient communal institutions which might have enabled people to change their own lives. The rich got richer, the poor got poorer, and the administrative machinery was suffocated by boredom and embezzlement.

In 1872 Kropotkin made his first visit to Western Europe, and in Switzerland he was intoxicated by the atmosphere of democracy, even a bourgeois one. He stayed in the Jura mountains with the watchcase makers, and his biographer explains how this was the turning point of his life:

Kropotkin's talks with the workers on their jobs revealed the kind of spontaneous freedom without authority or direction from above that he had dreamed about. Isolated and self-sufficient, the Jura watchmakers impressed Kropotkin as an example that could transform society if such a community were allowed to develop on a large scale. There was no doubt in his mind that this community would work because it was not a matter of imposing an artificial 'system' such as Muraviev had attempted in Siberia but of permitting the natural activity of the workers to function according to their own interests.

It was the turning point of his life, and he spent the rest of it devoted to gathering the evidence for anarchism, federalism and regionalism, together with his fellow anarchist geographer Elisée Reclus, urging small-scale human societies based on the ecology of their regions. And there was another founder of French geography, Paul Vidal de la Blache, who, as Peter Hall eloquently explains, was concerned with the region not the nation 'as the motor force of human development; the almost sensual reciprocity between men and women and their surroundings, was the seat of comprehensible liberty and the main-spring of cultural evolution, which were being attacked and eroded by the centralised nation-state and by large-scale machine industry'.

Finally there was the extraordinary Scottish biologist Patrick Geddes, who tried to encapsulate all these regionalist ideas, whether geographical, social, historical, political or economic, into an ideology of reasons for a decentralist approach. His most recent, and to my mind best, biographer Helen Meller is right to observe that however

flawed his voluminous writings may be, they are full of quotable phrases that, for us, illustrate his 'passionate commitment to put people first in planning'. For many of us, his most valuable legacy was the series of reports on Indian cities that he produced during and after the First World War, and which anticipate by many decades the current radical ideologies on so-called Third World development. It is worth your while seeking out the little volume of extracts that Jaqueline Tyrwhitt produced in 1947 called *Patrick Geddes in India*. But as a decentralist challenge to standard political assumptions, there's a marvellous bit of Geddes rhetoric from the end of the First World War which has even more force today:

The central government says, 'Homes for heroes! We are prepared to supply all these things from Whitehall; at any rate to supervise them; to our minds much the same thing.' But are they? Can they? With what results, what achievements? At present we have the provinces all bowing to Westminster, whence they are granted doles; so the best people leave for London. They send their money to Westminster, which (after ample expenses have been deducted) is returned to some of them in the form of a grant. But why not use this money themselves in the first place? Why not keep your money, your artists and your scientists, your orators and your planners – and do up your city yourselves?

We, of course, know several answers to his rhetorical question. The first is the virtual monopoly of revenue-gathering by central government's Treasury. You only have to visit the grand Victorian civic centres of, say, Glasgow, Leeds, Birmingham or Manchester to be reminded that the city authorities of today have had their scope for any independent action stripped away by central power. Although this has happened devastatingly in the last fourteen years, the roots lie much further back enacted by central governments of Labour as well as Conservative complexions. We sometimes forget that before the post-war government's nationalisation of the whole swathe of essential services like electricity and gas, for example, both these and many other such enterprises were run municipally and generated income for local authorities. The council had its own electricity generator and a by-product of this is that there was cheap electricity for it to run the trams which almost every town and city had. 'Gondolas of the people', Richard Hoggart called them. When they all abandoned their trams in the 1950s, the loss of this power base was a strong motivation. You will know that a year or two ago Manchester introduced its Metrolink with modern continental-style trams. This was delayed for years and cost infinitely more than it needed to because of central government's

ideological fixation on competitive private enterprise, which also has ensured the absence of elementary things like 'through-booking' with other transport systems, taken for granted in any continental country.

Central government ideology also ensured that the rediscovery of the tram brought no new work to Manchester's shattered local industry, or indeed to British manufacturing industry. The rails were made in Luxemburg, with German insulation against electric leakage, noise and vibration. The passenger shelters are French, the bowstring bridge over Great Bridgewater Street is Belgian. But the most intriguing argument in support of my case that we should learn from the small workshop economy of regions like Emilia-Romagna in northern Italy is the fact that the making of the 26 two-car articulated vehicles was shared among five factories in Bologna, Cittadella, Caserta and Padua.

But the story of who made Manchester's Metrolink leads to another factor operating against decentralist ideology. Firms aren't local any more. The fact that we once thought of Rowntree's of York or Pilkington Brothers of St Helen's is a reminder that money made locally was once spent locally. Rowntree, the chocolate king, made a lot of money in York and spent a lot for the benefit of York (and left a lot more to various trusts, which I live in hopes of looting). Today the firm belongs to the rich Swiss Nestlé gang. Similarly Lord Nuffield was a gradgrind of an employer at his motor works at Cowley, but in his late years he poured millions into Oxford and he too founded a research foundation, from which I also hope to benefit from one day. The factory is still there, but 20% of it belongs to Honda and the rest to BMW. The Prime Minister said on 31st January that the sale of Rover was 'a big vote of confidence in the British economy'.

Industry is being decentralised, not on a national but on a world scale, while control of it is ever more centralised in the financial capitals of the world. And of all the euphemisms used by government spokespersons, the most sinister is the triumphant claim to have achieved flexible labour markets. What it actually means is that all large-scale employers are succeeding in making every job a casual job. 'If you don't like our pay and conditions, there are plenty of people out there who will gratefully accept them'. And of course 'out there' means not only your next-door neighbour, but fellow-suplicants in Portugal, Taiwan or the newly accessible flexible labour markets of eastern Europe. The most interesting of Kropotkin's prophecies in his book *Fields, Factories and Workshops*, about a future of local production for local need, all over the globe, has failed to come true.

At the time when British imperialism believed that this country would forever be the workshop of the world, he warned of the consequences of the situation where, as he put it, 'certain countries consider themselves destined to enrich themselves by the production of finished goods and divide the backward countries up among themselves, so that these countries provide the raw materials while they accumulate wealth themselves on the basis of the labour of others'. Well, of course, the exploitation of primary producers continues, with the destruction of local subsistence markets in favour of cash crops for export. For the consequences see the excellent book by Tim Laing and Colin Hines about the implications of GATT, called *The New Protectionism: protecting the future against free trade*.

But there's another aspect of decentralist ideology of considerable topical interest: the concept of a Europe of the Regions, rather than of nation states. Proudhon, 130 years ago, noted in his book *Du Principe Fédératif* that 'among French democrats there has been much talk of a European confederation, or a United States of Europe. By this they seem to understand nothing but an alliance of all the states which presently exist in Europe, great and small, presided over by a permanent congress.' He claimed that such a federation would either be a trap or would have no meaning, for the obvious reason that the big states would dominate the small ones.

A century later the economist Leopold Kohr (Austrian by birth, British by nationality, Welsh by choice), who also describes himself as an anarchist, published his book *The Breakdown of Nations*, glorifying the virtues of small-scale societies and arguing, once again, that Europe's problems arise from the existence of the nation state. Praising once again the Swiss Confederation, he claimed with the use of maps that 'Europe's problem – as that of any federation – is one of division, not of union'.

Now to do them justice, the advocates of a United Europe have developed a doctrine of 'subsidiarity', arguing that governmental decisions should not be taken by the supra-nation institutions of the European Community, but preferably by regional or local levels of administration, rather than by national governments. This particular principle has been adopted by the Council of Europe, calling for national governments to adopt its *Charter for Local Self-Government* 'to formalise commitment to the principle that government functions should be carried out at the lowest level possible and only transferred to higher government by consent'. This principle is an extraordinary tribute to Proudhon, Bakunin and Kropotkin and the opinions which

they were alone in voicing (apart from some absorbing Spanish thinkers like Pi y Margall or Joaquin Costa), but of course it is one of the first aspects of pan-European ideology which national government will choose to ignore. There are obvious differences between various nation states in this respect. In many of them, for example Germany, Italy, Spain and even France, the machinery of government is infinitely more devolved than it was fifty years ago.

I used to claim that with the exception of, say, Albania and Romania, Britain had become the most centralised nation in Europe, but I now have to leave out the other two. You may remember Mrs Thatcher's rhetoric at Bruges in 1988, when she actually said:

We have not successfully rolled back the frontiers of the state in Britain, only to see them reimposed at a European level, with a European super-state exercising a new dominance from Brussels.

This is the language of delusion. It does not relate to reality. But Brussels is interesting for a different and paradoxical reason. For Belgium itself has decided to cease to be a centralised nation and has become a confederation of two, on the Swiss model, illustrating the validity of Proudhon's comment that 'even Europe would be too large to form a single confederation; it could form only a confederation of confederations'. In Switzerland itself, when the Federal Council urged the populace that the confederation should apply for membership of the European Community, but failed to win support, one of its members, Andreas Gross, described as 'a cycle-riding, non-suit-wearing socialist federal councillor', started the Eurotopian Movement dedicated not to the Europeanisation of Switzerland, but the Switzerisation of Europe.

He is echoing yet another of those quotable remarks of Patrick Geddes excavated by Peter Hall who finds that after the First World War Geddes argued that the League of Nations 'should be a league of cities – and not of the capitals, which were the centres of the war-machines, but of the great provincial cities which, regaining their former independence, would then voluntarily federate on a Swiss model'. Last August, on a train journey from Ancona to Calais, I read a report from the Brussels correspondent of the Italian weekly *L'Espresso*, Gabrielle Invernizzi. He says that a single adjective is used by economists, sociologists and political analysts there and in Strasbourg, to describe what is really emerging in Europe. The shorthand that they use, he says, is *anseatico* or Hanseatic.

It refers back to the League formed for mutual protection in 1241

between Lubeck and Hamburg, subsequently stretching to links in London, Novgorod, the Scandinavian ports, Venice and Florence. They were trading links of course, but they were the best challenge to nationalists and robber barons. Invernizzi and the Euro-thinktankers use the word with a slightly exaggerated reverence for the new computerised telecommunications as though the telegraph, the telephone and ticker-tape hadn't been around for a century. But when you consider the disasters that the concept of the nation-state has brought to us all in this century, and the horrors it continues to produce today, it is worth listening to the people who conclude that the state is an anachronism, while the city-region is a non-lethal reality.

Now I'm an anarchist of the Kropotkin type. I value his observation that 'throughout the history of our civilisation, two traditions, two opposed tendencies, have been in conflict: the Roman tradition and the popular tradition, the imperial tradition and the federalist tradition, the authoritarian tradition and the libertarian tradition'. He saw that there is an inverse correlation between the two: the strength of one is the weakness of the other. A similar point was made by the philosopher Martin Buber in his essay *Society and the State*, distinguishing between the political principle and the social principle. The political principle, he explains, is characterised by power, authority, hierarchy, dominion. He sees the social principle wherever people link themselves in an association based on a common need or a common interest, and he remarks that 'the political principle is always stronger in relation to the social principle than the given conditions demand. The result is a continuous diminution in social spontaneity'.

Now a continuous diminution in social spontaneity is the most depressing thing I see around me in Britain today. Nothing is considered important unless it comes from government or big business. This is why, as a propagandist, I have to exaggerate the importance of little local endeavours in the interstices of the official world, in the debris it has left behind. I am thinking of groups like Coin Street Community Builders, south of the Thames in central London, or the Eldonians at Vauxhall, Liverpool or the Giroscope Co-operative in Hull, or the successes and failures recording in John Pearce's important new book *At the Heart of the Community Economy*.

Another book I have read recently throws important light on decentralist ideas. Critics often say that the ideology of community self-organisation is very beautiful, but is simply not applicable to modern societies with their transient anonymous populations. The book *Making Democracy Work: civic traditions in modern Italy* by

Robert Putnam is a study based on a battery of surveys over twenty years of regional governments in Italy.

Although the Constitution of 1948 provided for directly-elected regional governments, the Rome politicians of the dominant parties prevented regional reforms until 1970, as part of their own and of NATO's strategy of keeping communism out of western Europe. When they began, the new authorities had to take over the old bureaucracies and civil servants as they became responsible for such fields as urban affairs, agriculture, housing, hospitals and health services, public works, vocational education and economic development. There has been continuing pressure from the regions for further devolution, strongly fortified at the moment by daily revelations of bribery and corruption and of organised criminality in the form of the *Mafia* in Italy, the *Camorra* in Campania and the *'Ndrangheta* in Calabria.

Putnam's twenty years of study of the workings of regional government reveal that there are 'civic' and 'uncivic' regions. The civic regions display 'an unusual concentration of overlapping networks of social solidarity, peopled by citizens with an usually well developed public spirit – a web of civic communities. In these regions he finds:

Most citizens are engaged by public issues, but not by personalistic or patron-client politics. Inhabitants trust one another to act fairly and to obey the law. Leaders in these regions are relatively honest. They believe in popular government, and they are predisposed to compromise with their political adversaries. Both citizens and leaders here find equality congenial. The community values solidarity, civic engagement, cooperation and honesty ...

In the 'uncivic' regions, on the other hand, public life is organised hierarchically rather than horizontally, and:

The very concept of 'citizen' here is stunted. From the point of view of the individual inhabitant, public affairs is the business of somebody else – *i notabili*, the bosses, the politicians – but not me. Few people aspire to partake in deliberations about the commonweal, and few such opportunities present themselves. Political participation is triggered by personal dependency or private greed. Private piety stands in for public purpose. Corruption is widely regarded as a norm, even by politicians themselves, and they are cynical about democratic principles. 'Compromise' has only negative overtones. Laws (almost everyone agrees) are made to be broken but fearing others' lawlessness, people demand sterner discipline. Trapped in these interlocking vicious circles, nearly everyone feels powerless, exploited and unhappy.

Sociologists distinguish between *Gemeinschaft* and *Gesellschaft*, 'that is, between a traditional, small-scale, face-to-face *community* resting on a universal sense of solidarity and a modern, rationalistic, impersonal *society* resting on self-interest'. This view leads to the view that 'civic community is an atavism destined to disappear. In its place arise large modern agglomerations, technologically advanced but dehumanising, which induce civic passivity and self-seeking individualism.'

The research of Putnam and his colleagues suggest a contrary conclusion. The least civic areas of Italy, he finds, are precisely the traditional southern villages where life 'is marked by hierarchy and exploitation, not by share-and-share-alike'. The region of Emilia-Romagna is far from the traditional community. On the contrary, it is:

... among the most modern, bustling, affluent, technologically advanced societies on the face of the earth. It is, however, the site of an unusual concentration of overlapping networks of social solidarity, peopled by citizens with an unusually well developed public spirit – a web of civic communities. Emilia-Romagna is not populated by angels, but within its borders (and those of neighbouring regions in north-central Italy) collective action of all sorts, including government, is facilitated by norms and networks of civic engagement ... Modernisation need not signal the demise of the civic community.

Now I myself have pondered on the lessons of that particular region of Italy. In my book *Welcome, Thinner City* I observed that 'the economic life on Emilia-Romagna – where more than a third of the workforce is self-employed and where *per capita* incomes are the highest in Italy – is based on an accumulation of assumptions about capital and labour, and about the skill and autonomy of the individual worker that are scarcely grasped in our patronising British attitudes towards the needs of small business'. The hundreds of thousands of small entrepreneurs in towns like Modena or Carpi or Rimini are not remotely like the heroes of Thatcherite Britain. They support a high level of municipal activity, adequate nursery education and public transport. If they are voters, they vote for the former Communist Party or perhaps today for the new anti-corruption and anti-centralist groupings like *La Rete* or the Northern Leagues. They would agree with the diagnosis of Putnam and his colleagues that:

... the most effective antibodies to the corruption of civic virtue, and the best hope in the near future ... lies in the further development of existing regionally based customs and networks of civic engagement. This would mean continuing the reforms that have begun to free the more advanced regions from the grip and grasp of Rome.

But this book has yet another finding that is arresting and disquieting in its implications. Putnam observes that:

... the regions characterised by civic involvement in the late twentieth century are almost precisely the same regions where cooperatives and cultural associations and mutual aid societies were most abundant in the nineteenth century, and where neighbourhood associations and religious confraternities and guilds had contributed to the flourishing communal republics of the twelfth century. And although these civic regions were not especially advanced economically a century ago, they have steadily outpaced the less civic regions both in economic performance and (at least since the advent of regional government) in quality of government. The astonishing tensile strength of civic traditions testifies to the power of the past.

We, on the other hand, are trapped in one particular version of the British past: that of a centralised autocracy and nation state, centre of a conquered empire. I have hardly discussed anarchism, simply because if the British are not yet adult enough to devise a regionalist and federalist approach, they are a very long way from taking anarchist ideas seriously.

Books referred to

Peter Hall, *Cities of Tomorrow: an intellectual history of urban planning and design in the twentieth century*, Oxford, Basil Blackwell, 1988.

Pierre-Joseph Proudhon, *The Principle of Federation*, translated by Richard Vernon, University of Toronto Press, 1979.

Martin Miller, *Kropotkin*, University of Chicago Press, 1976.

Jaqueline Tyrwhitt (editor), *Patrick Geddes in India*, London, Lund Humphries, 1947.

Helen Meller, *Patrick Geddes: Social Evolutionist and City Planner* (London, Routledge, 1990).

Peter Kropotkin, *Fields, Factories and Workshops* (edited by Colin Ward), London, Allen & Unwin, 1974; Freedom Press, 1984)

Tim Laing and Colin Hines, *The New Protectionism: protecting the future against free trade*, London, Earthscan, 1993.

Leopold Kohr, *The Breakdown of Nations*, London, Routledge, 1957.

Council of Europe, *The Impact of the Completion of the Internal Market on Local and Regional Autonomy*, Council of Europe Studies and Texts Series Number 12, 1990.

Martin Buber, 'Society and the State' in *World Review*, May 1951, reprinted in Martin Buber's *Pointing the Way*, Routledge, 1957.

John Pearce, *At the Heart of the Community Economy: community enterprise in a changing world*, London, Gulbenkian Foundation, 1993.

Robert Putnam with Robert Leonardi and Raffaella Nanetti, *Making Democracy Work: civic traditions in modern Italy*, Princeton University Press, 1993.

Colin Ward, *Welcome Thinner City*, Bedford Square Press (now NCVO Publications), 1989.

Other relevant books

Colin Ward, *Anarchy in Action*, London, Allen & Unwin, 1973; Freedom Press, 1988.

Ruth Rendell and Colin Ward, *Undermining the Central Line*, London, Chatto & Windus, 1989.

Jonathan Steinberg, *Why Switzerland?*, Cambridge University Press, 1976.

Ioan Bowen Rees, *Government by Community*, London, Charles Knight, 1971.

• Comment on Raven 30

Regarding the issue on 'New Life to the Land?', I have a few comments. First, discussions of common land and the abolition of private property require some clarification and suggestions as to how this might be accomplished in an anarchic fashion. One thing that seems to be true about most farmers and peasants is their devotion to the idea of their individual property in land. In my view a mixed situation is perfectly feasible where some may choose to pool resources and labour with others in communal operations, others may prefer partnership arrangements, while probably a vast majority desire to be independent producers.

Proudhon said property is theft, but what he referred to was the exploitation of labour and the intimidation and subduing others through property. Having a peasant background himself, he believed in the independent peasant holding and any other business operation which did not entail domination and exploitation of others. In

anarchic society I would think that such domination and exploitation would be abolished, not by some Makhno-like military force but, first, by attempts at persuasion. Failing this, there would be resort to diffuse sanctions. These would include the uses of the boycott and ostracism of offenders and community support for individuals refusing to work in such conditions. This, of course, is a form of coercion. No society, not even an anarchist one, can avoid employing some kind of coercion. But in an anarchist society that coercion would be necessarily non-violent and imposed by the community at large, not by some dominant elite.

Independent land holding raises the issue of 'trespass'. Here I think it is important to expect some sense of responsibility and some understanding of agricultural ways on the part of 'intruders'. I have found that farmers are not opposed to one entering their land. They are opposed to those who have no respect for it. Some farmers and ranchers in Alberta put up signs: 'Use Respect'. By this they mean do not disturb crops, livestock, trees or fences. Keep gates closed and do not use vehicles (including bicycles) since run repeatedly over the same track they cause erosion. In general, 'leave things be'.

My second point relates to Tony Gibson's 1952 article on 'Food Production and Population'. Numerous studies have shown that peasant farming is not so backward and inefficient as is commonly believed. Robert McC. Netting, for example, in *Smallholders, Householders* (1993) challenges the notion of the superiority of large-scale mechanised agriculture and points to the efficiency of smallholders who practise a diversified agriculture. Among the most efficient and productive farmers in North America are the Old Order Amish who maintain modest 60-70 acre family farms using horse-drawn technology.

At first I thought the Gibson article might have benefited by suggestions for increasing the amount of land producing food for humans. These might include turning more cotton and flax land to food production as improved fibres are developed, turning tobacco and coca fields to food production, reducing the amount of land for feed grains and raising more grass-fed cattle, and so on. However, when I thought about how much more land for human food this would produce it seemed to amount to only 1% to 2%. Of course, if we all became vegetarians and total abstainers, this figure would be greatly increased.

Harold B. Barclay

Editor's Notes

Our thanks to those readers, whose donations are listed below, for helping to keep down the deficit virtually inevitable with publications such as *The Raven*. Fortunately Freedom Press benefited from four legacies in 1994-95 which, as well as making it possible to cover *The Raven* deficit, have financed a number of new Freedom Press titles as well as the reprinting of at least three popular Freedom Press titles such as Berkman's *ABC of Anarchism* and Colin Ward's *Anarchy in Action*.

At present the publication of *The Raven* depends as much on contributors to its pages as to financial support. We never refuse the money (since the more we receive the more Freedom Press titles we produce) but we urgently invite and welcome suggestions for topics to be worked into specific issues of *The Raven* and of course the articles and materials to fill the 96 pages.

We apologise for being so late with Number 31, but Donald Room is already hard at work with *The Raven* Number 32 on 'Anarchism and the Arts'.

Raven Deficit Fund *January - December 1995*

Glasgow, JTC, £10; Maidstone, PB, £6; Spain, JH, £6; Upminster, IP, £6; Polstead, DP, £10; Pinner, LOM, £4; Crowborough, SGR, £8; Bristol, AFC, £11; London, MW, £6; Norway, FR, £10; London, OM, £18; Bristol, JB, £5; Sheffield, MH, £6; Beckenham, DP, £20; Cheltenham, TKW, £10; Liverpool, SC, £3; Tamworth, BS, £3; Beckenham, DP, £20; Toronto, ND, £10; Bristol, JN, £10; London, DM, £3; Pontypridd, JC, £4; Basildon, AJ, £3.50; Beckenham, DP, £30; Kent, anon, £15; London, NC, £9; Whitley Bay, AP, £8; Swansea, LR, £20; London, DF, £4; Macclesfield, LF, £6; London, anon, £500; Plymouth USA, JB, £43; Skipton, JP, £1; Salisbury, RM, £6; Cleveland USA, TH, £20; Rotherham, DB, £2; London, DPE, £10; FR, £8; Bruges, TM, £6.50; Bangor, A, £6.50; Lewes, BM, £9; Beckenham, DP, £60; Colchester, AG, £25; Saltburn, TE, £5; London, JR, £3; Gateshead, GD, £5; Hebden Bridge, HS, £50; New York, PC, £3; St Leonards, CP, £3; Keighley, RG, £3; Stirling, AD, £5; Alicante, JH, £4; Bolton, DP, £3; Colchester, TO, £11; Tunbridge Wells, BL, £3; Polstead, DP, £6; Oslo, RBM, £22.

1995 grand total = £1,107.50

Bound volumes of *The Raven*, each with an added contents page and index, each limited to 200 copies, are available at £18 each.

Copies of all issues to date, numbers 1 to 30, are still available at £3.00 each.

Volume 1:

1: History of Freedom Press / 2: Surrealism / 3: Surrealism / 4: Computers & Anarchism

Volume 2:

5: Spies for Peace / 6: Tradition & Revolution / 7: Emma Goldman / 8: Revolution

Volume 3:

9: Bakunin & Nationalism / 10: Education / 11: Class / 12: Communication

Volume 4:

13: Anarchism in Eastern Europe / 14: Voting / 15: Health / 16: Education

Volume 5:

17: Use of Land / 18: Anthropology / 19: Sociology / 20: Kropotkin's 150th Anniversary

Volume 6:

21: Feminism / 22: Crime / 23: Spain / 24: Science

Volume 7: (in preparation)

25: Religion / 26: Science / 27: Fundamentalism / 28: Chomsky on Haiti

— out now from Freedom Press —

Errico Malatesta

THE ANARCHIST REVOLUTION
Polemical Articles 1924-1931

124 pages

ISBN 0 900384 83 2

£3.50

Keep an eye on *Freedom*

The price of freedom is eternal vigilance, and vigilance means keeping yourself informed. To avoid the depredations of caterpillars, keep inspecting your organic cabbages for butterfly eggs. To prevent the government from becoming more powerful, keep noticing what new laws are proposed. Information is the essential prerequisite of action.

On the other hand, the price of *Freedom* the anarchist fortnightly is still only 50p. But it is a good idea to keep informed about it. Produced by unpaid, opinionated volunteers, it changes in editorial style from time to time, so if you have not seen it for some time (or even if you have never seen it) write for a free specimen copy now.

Ask for a Freedom Press Bookshop stocklist at the same time.

The Raven 31

Gaston Leval

Collectives in the Spanish Revolution

Eyewitness account of ordinary people coping without bosses
365 pages hardback ISBN 0 900384 11 5 £8.00

Various authors

Why Work?

Arguments for a leisure society
210 pages illus. ISBN 0 900384 25 5 £4.50

Denis Pym

The Employment Question

Resourcefulness rather than demand for full employment
68 pages ISBN 0 900384 31 X £2.00

Peter Kropotkin

Fields, Factories and Workshops Tomorrow

Classic anarchist economic analysis
205 pages ISBN 0 900384 28 X £4.00

Colin Ward

Anarchy in action

Anarchism as a theory of organisation. Revised and reset 1996
144 pages ISBN 0 900384 20 4 £3.00

Harold Sculthorpe

Freedom to Roam

Problems with landowners encountered by walkers
80 pages ISBN 0 900384 68 9 £3.50

Errico Malatesta

The Anarchist Revolution

Polemical articles translated for the first time
123 pages ISBN 0 900384 83 2 £3.50

From your bookseller or direct (payment with order).

Post free in UK, please add 20% for postage elsewhere.

Freedom Press, 84b Whitechapel High Street, London, E1 7QX
(Girobank account 58 294 6905)