

## The economics of freedom

Anarcho-syndicalism is about direct democracy - democracy from the bottom up - no party politicians, corporate managers or union leaders.

Direct democracy means decisions are made by all those present. Hence, we cannot be prescriptive about what a future, **decent economy** might work like. It will be decided by the people there at the time.

Hopefully, it will happen soon, and everyone will be involved. However, in the meantime, it is rather a cop-out to simply say, "we'll sort that out later" and then, fall back on abstract principles or vague concepts.

So, we thought it would be useful to develop a detailed model (but not a straightjacket) of how it could work.

This is the result.



£2.50

[www.solfed.org.uk](http://www.solfed.org.uk)

# The economics of freedom



The economics of freedom  
SolFed Booklets. 2003



# The economics of freedom

## An anarcho-syndicalist alternative to capitalism

Preface .....	2
Introduction .....	3
<b>1: Free Market Myths .....</b>	<b>5</b>
Market logic? .....	6
Free lunches? .....	8
Lies and obscenities .....	10
State handouts .....	12
Buy now, pay soon .....	14
<b>2: Libertarian Communism .....</b>	<b>15</b>
Getting started .....	17
21 <sup>st</sup> Century solidarity .....	19
Capitalism vs. solidarity .....	20
Consumerism vs. quality of life .....	21
Community living .....	23
Private property vs. fair share .....	24
<b>3: Democracy and Planning .....</b>	<b>25</b>
Direct Democracy .....	25
Democratising the future .....	26
Planning basics .....	28
Non-economic issues .....	29
Economic issues .....	31
Planning dynamics .....	31
Calculating the cost .....	33
Economic democracy .....	36
Conclusion .....	37



## Preface

This pamphlet has been written by a group of people in the Solidarity Federation. We are actively involved in taking direct action for a better world. However, we are also interested in what this better world might be like and how it might work. In the current world of US-led terror against terror, corporate cronyism and corruption, and widening global and class inequality, we all want and deserve better.

The Solidarity Federation is the British section of the anarcho-syndicalist global movement. Anarcho-syndicalism is about direct democracy - democracy from the bottom up - no party politicians, corporate managers or union leaders. Direct democracy means decisions are made by all those present. Hence, we cannot be prescriptive about what a future, decent economy might work like. It will be decided by the people there at the time. Hopefully, it will happen soon, and everyone will be involved. However, in the meantime, it is rather a cop-out to simply say, "we'll sort that out later" and then, fall back on abstract principles or vague concepts. So, we thought it would be useful to develop a detailed model (but not a straightjacket) of how it *could* work. This is the result.



## Introduction

There is an assumption that there is no viable alternative to the free market. The TV, newspapers, politicians and others seem to accept this assumption. Many people openly point to the free market as the root of most of our modern social problems; yet, even they feel powerless in the face of the mantra - 'there is no other way'. Indeed, anyone who speaks out against it often gets a vigorous and angry response - to the effect that, without the free market we would be stuck in a high inflation, high unemployment system where the goods we all need are in short supply or non-existent. Apparently, we need the free market for our survival.

In reality, we need the free market for as long as we want to continue the pain and misery it brings to millions. The question is, what might be better than it? This pamphlet discusses ways in which we could organise an economy which not only replaces the capitalist free market with a humane alternative, but also helps solve the other major problems that come with western-style 'democracy'.

We can make three initial points. Firstly, in any modern society we need an economy - a means of working out what to spend our labour and resources on, how much and what to produce, and who should get how much of the various goods and services made available. Secondly, the idea of this booklet is not to provide a blueprint, manifesto, set of rules or definitive critique or plan. Future economies may be local and based on self-sufficiency, and they may be pretty minimal and ad-hoc. On the other hand, at least parts of the economy may be more sophisticated, especially if future societies want lots of complex goods requiring a degree of centralised production. People, both now and in the future, should have autonomy to decide what sort of economy they want. This pamphlet is simply intended to raise some ideas and suggest concrete ways in which we might move forward towards a much better economic system. Thirdly, we are not interested in abstract theories. Any 'new' economy must be developed from where we are now. We take our reaction to capitalism and the free market as our starting point. With these points in mind, this booklet has three main sections.

**The first section outlines where capitalism is now, what is wrong with the free market, and why we need an alternative.**

Many of us instinctively know that profit and the obscene concentration of wealth and capital is at the heart of why the free market is wrong. Here, we will attempt to explain why this is, simply,



## Preface

yet concisely and clearly, using only watertight logic.

**The second section is about libertarian communism, what the term means in practice, and how it might work.** It outlines some ideas on community, solidarity, collectivism and individualism, and their roles in both the current and future society.

**The third section is about the role of planning in the economy.** Economists have always discussed the virtues and problems of economic planning. One thing we know – the way it was done in soviet Russia didn't work. Under capitalism, planning is done only for profit, whereas we argue that it can be used to successfully organise a more humane economy.

Finally, we will draw conclusions for an anarchist economy and sum up the main things we have identified as useful to know and useful to aim for. This isn't the first or the last word on alternative economics, it is merely a few in the middle.



## 1: Free Market Myths

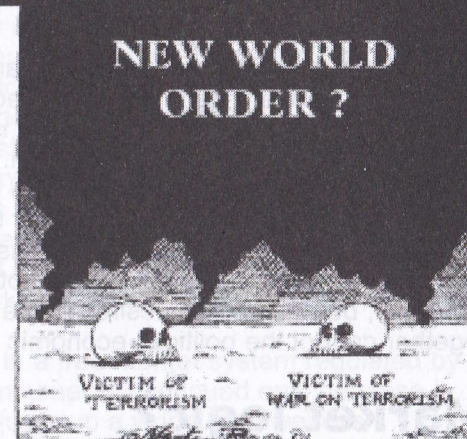
The free market is currently held up as the saviour of all human kind. Since the end of the cold war and the fall of the Soviet Union, the victors have claimed outright control over all our futures. The good guys won, and now western democracy, underpinned by free market economics, will soon be spreading peace and prosperity to all areas of the world. There are still

problems, but these can be blamed on Islamic fanatics and the like, who wish to stand in the way of progress. They will be overcome by the American-led west, determined to establish a new and 'just' world order based on global capitalism.

The new orthodoxy is rarely, if at all, challenged (indeed, since September 2001, mere questions are often angrily rejected as terrorist sympathies). Also, the global market myth, so keenly championed by the powerful, is bringing tremendous benefits - to the rich and powerful. As the income gap widens, so does the power gap, and so only the voices of the rich and powerful can be heard - after all, they have TV companies, newspapers, and spin doctors.

Not surprisingly, they think everything's pretty much OK – but they cannot turn a blind eye to the growing catastrophe forever. The down-side starts with the untold cost to the vast majority of the world's population. The gap between rich and poor, both within society and between the northern and southern hemisphere, continues to widen. But it doesn't end here, as power is increasingly concentrated in the hands of the few at the expense of the many.

Behind the blaze of glitzy capitalist propaganda, the idea that we live in a society run on the "free market" is simply a sick joke. The reality of how the economy really works is never really discussed. When was the last time you saw a media story seeking to expose the realities of how the economy works? They often expose individual cruelty, and they may even talk of institutional weakness, but they never question the existence of the free market god. Compare this to

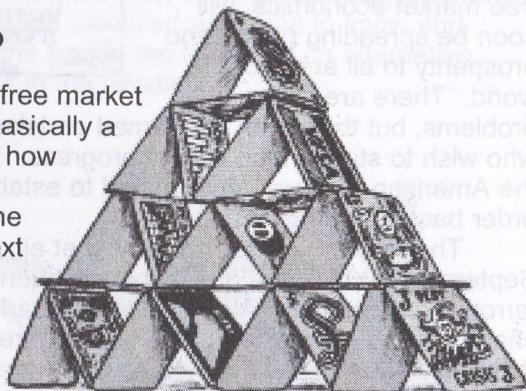




the Soviet era, when there were regular reports in the West exposing the realities and failings of the Soviet economy. Of course the Soviet economy was a disaster, but the point is, at least we used to talk about alternative economics back then. If the truth of how the economy really works were to become the stuff of daily news programs, it would soon become clear that the economy is not run according to free market principles. Instead, it is steered on a daily basis by the rich and powerful. It is not market forces that drive the economy, but the needs, desires and ambitions of all those who together control the political, economic and social life of society.

## Market logic?

So, we do not have a free market – any suggestion we do is basically a lie. But, if we did have one, how would it work according to economic theory? In fact, the theory rarely gets beyond text books, mainly because it bears so little resemblance to the world, we currently occupy that it is merely an abstract idea.



The free market is supposed to be where goods and services are spontaneously traded without any planning or control by governments. This is done through individuals pursuing their own self-advantage and by buying and selling freely. Competition ensues, which leads to a range of prices for goods ensuring that all society can afford them. By registering our demand for our private wants and desires in terms of how much we are willing to pay and how much we are willing to sell for, the market acts as a 'invisible hand' (according to Adam Smith), guiding what is produced and consumed. As long as the market stays free from interfering governments and busybodies, there is supposed to be a continuous increase in the wealth and welfare of all of us. Even if it seems some people are becoming much richer than the rest, this is good because it will eventually lead to them spending more and providing more jobs. In this way wealth 'trickles down' to the rest of society.

In fact, free market theory was developed for the small regional economies that existed under feudalism in the European late middle ages. Consequently, it is ill-matched to the current reality of globally integrated corporations and modern marketing techniques. In the made-up world of perfect competition, it is the consumer who rules. Suffice to say, free market theory was developed after capitalism came on the scene, as a means of explaining how the system worked. If anyone had advocated it beforehand, no doubt the evident flaws would have been exposed, and it would have been abandoned as an idea that would never work in practice. And, of course, it doesn't.

The pretence that we live in a free market system regulated by competition and ruled by the consumer is continued only because it benefits the world's elite. It conjures up a world of powerless companies and powerful consumers, where anyone can start up their own company to create their own Microsoft or Ford – the stuff of the great American dream. Free market theory also helps to further the false notion of western democracy. It suggests that capitalism is "democratic" economically as well as politically. Just as we cast our vote in elections, by buying good "A" instead of good "B", we are casting our vote in the economy. Since, as the theory goes, the consumer is king, each individual purchase we make contributes to society's collective decisions as to how scarce resources and labour are best utilised.

In fact, competition does the opposite of what the theory claims. Instead of keeping company power in check, it adds to it. The effect is ever-greater centralisation and consolidation of power in the hands of the few who control production. The weakest go to the wall, thus reducing diversity. The real history of capitalism is one of monopolisation. It occurred first within regions, then within national economies and now increasingly across the global economy. From IT, insurance and banking to supermarkets and manufacturing, a small handful of companies dominate. Once they reach this position, they not only wield power within their sector, they also act together with other dominant monopolies to wield their joint power in all aspects of society.

Through advertising, companies create markets for their products. They constantly strive to present a virtual society that almost everyone can buy into. Even the poorest can join the



glamorous world depicted in the adverts, by simply buying a pair of jeans or a new mobile phone – sold as more a way of life than a product. Consumption is portrayed as an end in itself, a temporary escape from the drudgery of everyday work. No wonder consumption has become more transient, hedonistic and pleasure-driven.

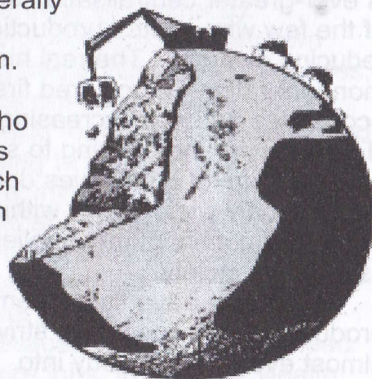
Using huge concentrations of wealth generated through profit, companies are increasingly able to influence and create social and cultural aspirations. Media is controlled because it relies on advertising, so it must comply with what big business wants. This is a one way trip – there is no balance of forces, only a single, snowballing force. Hence, Coca-Cola culture inexorably spreads across the globe. Even in the poorest countries, the only 'solutions' on offer are from capitalism, ensuring more of the same.

The single aim of companies is to create demand in order to ensure ever-greater profit. The logic of capitalism is that companies must constantly reinvest profits or go under. Companies cannot stand still. Far from the static world of free market theory, capitalism in reality is constantly expanding in search of new profit. It is this which gives it its dynamism. Companies must constantly create new markets for new goods and services, whether it is the latest generation internet superhighway technology, or a new flavour of potato crisps.

## Free lunches?

The environment is treated as a free lunch in the drive for profit. Since environmental damage is not generally directly borne by companies, it does not impact on profit, at least in the short term. To protect the environment would be an unwanted extra cost, and competitors who ignore it would get ahead. Thus, there is competition as to who can cut costs, such as spending on environmental protection or decent wages. The winners will generally be those who care the least about the environment and workers.

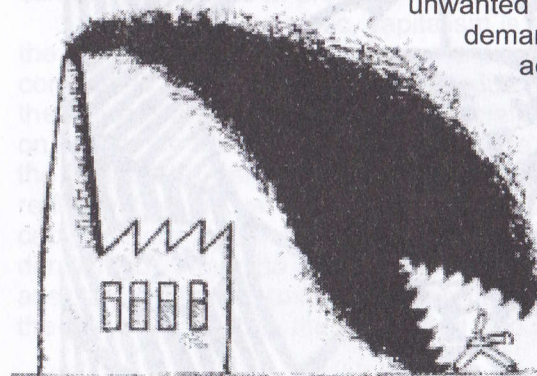
Of course, capitalism does take account of environmental protest, but



only when it threatens profits. Hence, companies will invest in trying to nullify environmental protest. Ironically, as the global environmental destruction continues apace, capitalism is spending more on bribing governments and running slick greenwash advertising campaigns, aimed at undermining protest. They plough money into environmental and human rights charities and the like, as a cheap sop to pretend they care and try to give the impression that it is OK, that there is a balance under capitalism, and that companies are ethical in contributing to it.

Even the most boneheaded of capitalists must realise that, if things do not change radically, the earth as we know it is doomed. However, they are transfixed by the logic of capitalism and the everyday short-term rush for making more profit than the outfit next door. Capitalism has tapped into a human condition where, apparently, for those caught up in the race, priorities are reversed, in the same way in which disease can often trick the body into a reaction which makes health worse rather than better. For capitalists, in the current drive to destruction, the crucial thing is in being ahead, not in where we are heading.

The need to constantly expand and get ahead is a key factor in making capitalism inherently unstable. Historically, cycles of overproduction occur leading to unsold goods and economic slump, so-called boom and bust. While free market theory suggests that scarce raw materials and labour will be utilised efficiently, in reality, capitalism is a system of over-producing wastefulness. The single-minded drive for profit means companies inevitably must create unwanted need to stimulate ever-more demand, hence the massive advertising budgets they all have. But even with these, there can never be enough demand to absorb all it produces. It is not scarcity that is the problem in the market made fickle by advertisement saturation, but too many goods and the wrong type of production.





## Lies and obscenities

In a world where millions die for want of basics such as medicine and water, capitalist over-production may seem distant. But the deaths are due to inequality, not lack of collective resources. Capitalism does not produce for the poor, as they have no income and are therefore not a source of profit. Given this reality, of all the ridiculous claims of free market theory, perhaps the most obscene one is the boast that it is able to allocate resources equitably. While we have unwanted computers piling up in one part of the world, we have children dying of starvation in others.

Another obscenity is the free market claim that it guarantees that only the best quality goods will be made. The theory is that consumers faced with poor quality goods, simply switch to an alternative supplier, leaving the company making poor quality goods having to improve them or go bankrupt. The reality is that markets are dominated by a small number of companies whose main driving force is to sell more units to make more profit. Hence, they must build goods that will not last in order that the consumer will be forced to replace them in a relatively short period of time. The idea that consumers will see through this is flawed, because, firstly, companies all produce goods with short lives (so there are few or no long-lived alternatives and, therefore, no real choice), and, secondly, faced with today's thousands of high-tech goods, consumers cannot hope to be able to distinguish between good or bad products. Hence, many people fall back on the names they know – hence, branding.

A key aim of capitalism is to confuse consumers. The last thing



companies want is for the consumer to find a cheap shampoo that suits them, and stay with it for life. They need to keep producing "new" (repackaged) products that they can get people to pay more for. Perfect hair is just around the corner, with today's new product. This is not to say that consumption is inherently wrong, far from it. What we need is an economic system which will allow us to maximise our quality of life from consumption, rather than simply generate company profits as at present.

Far from being static, capitalism is still expanding. For most of the latter half of the 20<sup>th</sup> century, the power of the transnational companies was partly held in check due to the ever present threat of the Soviet Union and the ideas of socialism. In order to keep workers on board, the state was forced to provide basic welfare provision in the form of the welfare state and at least talk about wealth redistribution. However, since the collapse of the Soviet Union, any capitalist fear that workers may be attracted to socialism has greatly diminished. Now, the state is returning to its more traditional role of assisting capitalism to maximise profit, with little regard for the cost to the rest of us, both in the developed and underdeveloped world.

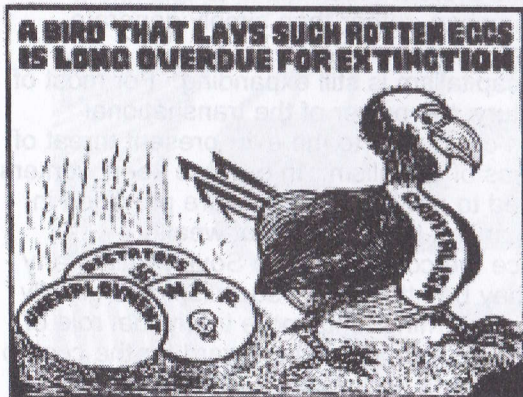


## State handouts

This brings us to another great myth of the free market – the idea that the state only hinders it. In fact, capitalism could not exist without massive state support, not least in constantly stabilising a permanently unstable system. As each period of overproduction leads inevitably to slump, the state increases spending to stimulate demand. Also, with today's deregulated international finance markets, the state is needed to monitor and police the global financial system in order to prevent crisis. Through state finance, that is, our money, capitalism is regularly bailed out to avoid economic crisis. Whether it is the US loans scandal, economic crisis in the far east, or banking meltdown in South America, state funds are the medicine used to cure the capitalist cold. Clearly, without state intervention, capitalism would slide into constant crisis and stagnation.

The state also supports capitalism in many other ways, without which capitalism would not survive. Where would capitalism be without welfare, education, transport, research and development, a banking and legal system, regular tax-breaks and subsidies, and a military to protect capitalist interests? Now, through organisations such as the World Bank, IMF and WTO, the state is ensuring even greater profits through widening inequality.

As usual, everything is dressed in free market rhetoric. Increased competition, trade and deregulation is all supposed to bring about increased prosperity across the globe. However, as we have seen, free market theory has little to do with economic reality. While the underdeveloped world is forced to open up its markets, the



developed world is quietly building up its economic barriers. Increased global trade allows transnational companies from the developed world to invade and take over profitable parts of economies overseas, and establish cheap labour production units there. Technological transfer would allow



developing economies to get a look in, so developed countries make sure secrecy and copyright protection is intact. The truth is, 'fair' competition on an equal basis is the last thing they want. Competition is bad for profits after all. However, monopoly multinationals make tidy profits from overseas slave camps.

But scandalous profits from slave labour in the developing world are not enough. We in the developed world must give our pound of flesh for the shareholder dividend too. Here, modernisation, deregulation and flexibility are the current buzz words for maximising exploitation of workers. Removing rights of workers to defend their jobs, while letting companies regulate themselves (a laughable idea, if the consequences were not so serious) has already led to falling wages for large section of the working class. Further cuts in welfare provision and legislation aimed at forcing people into work can only drive down wages and working conditions further. Alongside this even greater use of the private sector in transport, education and welfare, leading to cherry-picking of lucrative public contracts, spiralling private profits from the public purse, and a downwards spiral in the quality of public services. The inevitable down side is a drop in quality of life which falls disproportionately on the working class.

The nature of the state is changing. The nation state is being left behind in favour of superstates who try to ensure that the most profits go to the companies located within their borders. Based on Europe, the Americas and Asia, these large economic-political blocs have been developing for the last half century. Since the collapse of the Soviet Union, Europe and Asia have felt less need for US military protection and have started challenging US economic dominance. The history of capitalism is one of competing economic blocs struggling for dominance. This has led directly to two world wars and hundreds of more minor ones. As capitalism expands, the world is becoming proportionally unsafe, and the risk of another major conflict between the developing superstates is enormous.



## Buy now, pay soon

At its centre, capitalism is built on a set of rotten, mythical, flawed theories, around which the rich and powerful have created an arrangement of smoke and mirrors in an attempt to provide an illusion that everything is OK. In fact, the system works for practically no-one. Even those who manage to gather personal wealth from saving up or exploiting other people's labour find that, as the old saying goes, money can't buy love or happiness. In fact, money can't buy many of the core things we need for our humanity and quality of life. It can't buy democracy; it can't buy equality; it can't buy self-esteem (despite what your average sharp-dressed, car-worshipping wide boy might think); and it can't buy real social interaction – which is at the core of humanity itself. Even for the things it can buy, like goods, property, work and labour, money doesn't go very far for most of us and, as we are seeing now, it creates huge inequality and oppression in the process. Of course, in a privatised world where everything is owned by someone, we all need money to survive and get our basic needs, but in the long run, capitalism and money are never going to be able to form the basis of a sustainable economy based on maximising our quality of life.

We are entering a new and uncertain period, in which free market mythology is used as propaganda to camouflage the increasing concentration of wealth and power. Since capitalism always leads to more war, the challenge facing those of us who seek a more just and peaceful future is enormous. But already, the growing greed and unfairness has provoked a response from the anti-capitalist movement. If it is to succeed, this new movement must carry in its heart an alternative system to capitalism and the state. **The debate and action must be continuous, and the demands uncompromising.** In the rest of this pamphlet, we will begin to map out an anarcho-syndicalist alternative to capitalism as part of this debate.



## 2: Libertarian Communism

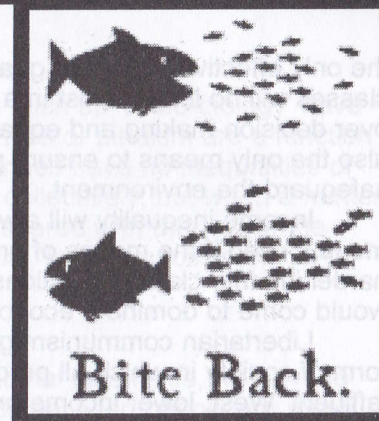
To anarcho-syndicalists, a viable alternative to capitalism is 'libertarian communism', and this section describes it and shows how it can work.

The 'communist' nations are no more, so arguing for a communist society may currently seem unrealistic. But true communism, libertarian communism, is not an authoritarian state-run economy like the Soviet Union. Libertarian communism is based on the principle of solidarity in a society without money. People work as a social duty; wages are unnecessary – 'from each according to their ability'; and cash is no longer needed to acquire goods – 'to each according to their need'.

A libertarian communist economy, a system without the market and where everyone has equal rights to have their needs met, has always been the aim of anarcho-syndicalists. Workers' self-management would amount to little in a world of inequality with decisions being dictated by the market. However, we have also been careful to always point out that any communist system will be nightmarish unless the people support it and are involved in running it. Anarcho-syndicalists have therefore always been careful to describe themselves as 'libertarian', as opposed to authoritarian, communists.

**What will motivate people to work if they are not paid? - The answer is solidarity.** But why should such a level of solidarity exist in a libertarian communist society? To answer this we must look at modern economies and examine what kind of solidarity an industrial society could produce given the right conditions. How will goods be allocated without prices? What will stop people taking more than their share if they do not have to pay? Again, part of the answer lies in solidarity and part in organising ways to determine people's needs and to allocate goods accordingly. Answering these questions reveals the full value and potential of libertarian communism.

If society is to continue in anything but a fairly wretched form, humanity must embrace the ideal of libertarian communism. This is





the only effective means to guarantee liberty and equality since classes will no longer exist in a society where all have equal control over decision-making and equal access to goods and services. It is also the only means to ensure prosperity for all as well as to safeguard the environment.

Income inequality will always exist in any economy based on money, even if the means of production were in social ownership, hardening into class distinctions. In time, the most privileged class would come to dominate economic, political and social life.

Libertarian communism guarantees prosperity, as it is the only form of society in which all production is purely for need. Even in the 'affluent' West, lower income groups struggle to keep up with rising household expenditures. Many are forced to live in unhealthy housing, subsist on poor diets and endure fuel poverty. Disgraceful income gaps exist between classes, between sexes and between ethnic groups. While it is necessary to struggle for improvement in the material position of women, ethnic minorities and the working class within capitalism, we must remember that only libertarian communism can guarantee absolute equality.

**Environmental protection is also guaranteed.** When production is for need, not profit, there is no reason to ignore environmental costs. There is no private interest to conflict with the good of the people and of the planet as a whole. The human environment improves too, as libertarian communism emphasises the improvement of community life and community interaction above individual consumption. Society becomes reintegrated; anti-social behaviour declines, and the selfish, negative side of individualism fades. But is the transition to Libertarian Communism realistic, given that modern life is dominated by self-interest? Some on the left argue that a moneyless society would require physical compulsion to work. This, however, is slavery, not communism. Of course, those who refuse to work must be censured, but moral censure is not the only basis of the system. The real basis of libertarian communism is the communist consciousness that comes from the day to day experience of working in a communist economy.

**One thing should be clear. No-one can dismiss libertarian communism on the grounds that human nature is irredeemably self-centred.** The superstition-mongers of the organised religions have tried to sell us that one for over two thousand years. More

recently, peddlers of pseudo-sciences such as 'socio-biology' have joined in. The fact is, levels of selfishness or altruism are a function of social structures. Hunter-gatherer tribes have no inequalities of wealth. Hunting is usually carried out collectively, but when a hunter does hunt individually, the results are shared with the rest of the group. According to the socio-biologists, this is impossible.

## Getting started

If people are to work without material incentives, we have to imagine a world where the social bonds between people are much stronger than they are today, where these social bonds are enough to motivate us to get out of bed and go out to work.

Solidarity exists between people who have similar lifestyles, outlooks and economic roles. In hunter-gatherer societies, for instance, beyond the division of labour on gender grounds, different individuals have very similar work roles, to the extent that they have no real personal choice or discretion. In this kind of economy, people work automatically and without reflection, in a way that is dictated by custom and dominated by a collective consciousness. This consciousness represents a world view and behavioural code shared by the whole tribe. It is very unlike the individual consciousness that exists in the developed world today, consisting of sets of thoughts and opinions which are not fixed rigidly by society and which vary a great deal from one person to another. The kind of solidarity envisaged by libertarian communism is almost entirely lacking.

Working class community life up until the 1950s and '60s involved a great deal of solidarity and mutual aid. Obviously, solidarity was not as strong as in hunter-gatherer tribes, where individualism hardly exists, but it was still a powerful force. This is not to argue that working class people were all the same, just that they had a set of common day-to-day experiences, a feature that is not easy to find in our modern, atomised communities. British workers in the 19th Century lived near to their work in communities based on their shared, collective experiences, many of them often working for the same boss.

This solidarity included informal 'charity', reflecting a level of concern for the welfare of others in the neighbourhood that is largely absent from modern life. A survey of working class life in an area of





South London at the start of the 20th Century (Pember Reeves, 1979; *Round About a Pound a Week*: Virago) found that: 'Should the man go into hospital...extraordinary kindness to the wife and children will be shown...A family who have lived for years in one street are recognised up and down the length of that street as people to be helped in time of trouble.'

These communities were not to last. Increasing industrialisation continued to draw displaced farm workers into the cities causing gross overcrowding, in turn leading to widespread health problems. Throughout the 20th Century workers moved out of city centres to the suburbs and gradually the old inner city communities were broken up.

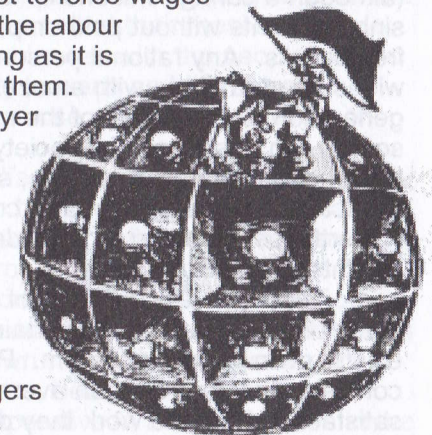
The level of selfishness or social duty, individualism or solidarity, that exists in society is the result of social structures and economic imperatives. So our consciousness would change if our society and economy were to change. When the way we worked and lived was different, so was our consciousness. As social structures and the economy have continued to develop and change in a selfish and negative fashion, so the negative side of individualism has come to the fore. Human nature can be more or less socially directed given the right environment, but can the right environment exist in the modern world? We certainly cannot go back to the conditions that gave rise to mutual aid in the past. Modern societies might seem too large and alienating to make anarchist ideals possible. But, to use an awful modern cliché, we need 'to look outside the box'. Libertarian communism is not 'primitivism', and economic organisation must be compatible with both a national and an international division of labour.

## 21<sup>st</sup> Century solidarity

A more progressive kind of solidarity can exist between people with different jobs, whose combined labours provide for the needs of the community. This solidarity works like the parts of a body, which are different, but still act together as a whole. By definition, people working in an economic system with a division of labour do not survive purely through their own efforts. The butcher (or the organic greengrocer) relies on the baker and candlestick maker to provide bread and light. Workers who assemble computers rely on the various people who manufacture glass, plastic, microchips and circuit boards and glass. Production is only possible through a chain of dependent relationships. Every enterprise relies on a host of others to supply raw materials, machinery or transport. Every consumer relies on the efforts of a large number of workers for the goods and services they need. The labour of one worker is just a small part of a huge collective effort to meet the needs of the whole of society. The division of labour creates bonds of dependency and mutual interest on a global scale.

The problem with capitalism is that an anti-social system of money, profit and private property is superimposed on this fundamentally social economic structure. People who are actually working in co-operation with others are forced into relationships of competition and mutual hostility. Although, in reality, people work as part of a social whole, they do not actually feel that this is the case.

This is because their needs are not at the centre of the economic system. Capitalists attempt to force wages down to the lowest level dictated by the labour market. Workers get paid only as long as it is profitable for the capitalist to employ them. Once they lose this value, the employer makes them redundant. Workers therefore feel they are a means to an end rather than their needs being an end in themselves. Thus they don't identify with their work and don't feel they are part of a common project. It is easy to see why, according to surveys, only a quarter of the workforce think managers and other staff are on the same side.





## Capitalism vs. solidarity

This contradiction between the money system and the social nature of the economy leads to the dysfunctional nature of modern life. Industrialisation only meets our needs by destroying the environment, thereby undermining the massive potential benefits it could bring.

The absence of solidarity and shared values destroys the social framework the economy is operating in. While the division of labour and industrialisation entail continual contact and communication between people, the anti-social nature of capitalism means that the towns and cities where we live together have become progressively more bereft of social interaction. Communities break up, shared values have less influence, and we become isolated from and no longer identify with those we live among. Such lack of cohesion inevitably leads to rising anti-social crime linked to our declining concern for each other. It also leads to increased stress, mental health problems, and alcohol and drug abuse.

By contrast, in a society without the private ownership of industry and the competitive market, solidarity is much more possible. In a new type of society, the latent social cohesion of an economy based on the division of labour can be brought to the surface.

Solidarity does not exclude those who do not go out to work. Bringing up children or having a caring responsibility is work as much as driving buses or building houses is. In fact, these responsibilities demand far more commitment and energy than the average paid job (although a caring relationship is not *only* work). In capitalist society, single parents without paid employment are scapegoated as selfish freeloaders. Any rational person must regard this, regrettably widespread, attitude with amazement. Helping bring up the next generation is surely one of the most important contributions to society. In post-capitalist society, the work aspect of parenting will become part of a co-operative, social effort through more provision of childcare facilities and greater community support for parents. Nevertheless, nothing must undermine the emotional bond between parents and children.

Turning to the question of commitment to work in libertarian communism, the fact is, a certain level of commitment to work already exists, even under capitalism. Polls during the last decade have consistently found that, on average, 70% of workers in Britain get satisfaction from the work they do. Obviously, allowance must be

made for the fact that what people say in a survey can be different from how they actually conduct their lives. This existing commitment to work can only be deepened by the experience of being equal partners in a common co-operative project. Such figures disprove the economist's assumption that work is a 'disutility', something people naturally avoid unless forced to do it by material necessity. The real issue for workers is often not the work they do, but how it is organised by management and their treatment by the boss.

Anarcho-sindicalists do not believe that abolishing the current management system alone is enough to create libertarian communism. We need to change what we produce, not just how we organise production. People are unlikely to feel the necessary commitment to work if it is solely directed towards more and more individualised forms of consumption. Instead, it must be directed towards public services and the promotion of the social and cultural life of the community.

## Consumerism vs. quality of life

As we have seen, capitalism and its attendant consumerism do not deliver on quality of life. Moreover, western society faces 'the ruin of the commons' on a vast scale. The combined effect of millions of individual decisions to buy cars, for instance, creates global warming and destroys our communal quality of life. People get straight into their cars and travel to far away supermarkets, shopping centres and leisure facilities, often mixing with no one but their most immediate neighbours. The less we share experiences with the people we live among, the more the hold of morality loosens and the more widespread crime, alcoholism, drug abuse and other problems of modern life become.

In the long run, the loss of welfare from environmental destruction, crime, etc. will outweigh the welfare gained from car and TV ownership. Meanwhile, the consumer continues to consume, like an alcoholic drinking to forget the problems their addiction has already caused. The purchase of commodities like cars and home entertainment creates yet more demand for these same products, as alternatives disappear or are run-down. The level of necessary individual consumption rises, therefore, because social changes make certain consumer spending imperative in a way not seen in the



past. For example, most people can no longer walk to work, nor find worthwhile entertainment locally.

Real social progress can only come when a different consciousness replaces economic individualism. Production decisions must be guided towards building solidarity, collective welfare and social interaction. The precise nature of this shift cannot be set out in advance, as it is a product of the needs and desires of all the people and the compromises they make with each other in deciding what they will consume; a few possible examples can be given, though;

1. **Public transport should replace the private car. New smaller scale urban and rural communities should be created where facilities will be nearer people's homes and interaction will be easier.**
2. **Public entertainment and culture could have precedence over products and services that create an isolated life-style. Rather than consuming more and more DVDs, CDs, and other home entertainment, communities could build more cinemas, libraries, theatres and leisure centres.**
3. **Festivals, community fairs and other street events are also an alternative to home entertainment. New technology, instead of isolating society, could promote interaction and solidarity by enhancing the quality of such events and public facilities.**
4. **Media such as TV and radio could be locally based and run by the community, not merely to broadcast only 'local interest' programs, but so that the content reflects the needs and desires of the community.**
5. **Education should be truly free at the point of use, with drop-in learning and full access to facilities at all levels, including learning 'skills', social development and general interest education.**
6. **Health and well-being services should also be truly free at the point of use, should be wider than at present and should be designed and provided on the basis of maximising quality of life.**

## Community living

The emphasis on community is not about creating a direct substitute for the old working class communities, and the new collective consciousness is not about sameness and conformity. The key to solidarity is the understanding of how people with different occupations and outlooks complement each other to promote a common good. Although local communities will be rebuilt, a wider international consciousness based on a sense of interconnectedness between people will also be apparent.

Promoting a more collective way of life is not the same as arguing for a puritanical approach to modern life. Communist consciousness is not about eliminating all concern for ourselves and our own pleasures, but about *adding* a new dimension to our existence. Hence, libertarian communists differ from other opponents of materialism, such as radical Islamists or the more extreme opponents of industrial society found in parts of the environmentalist movement. Libertarian communists envisage a comfortable, enjoyable life for people in the future, in which modern technology is one means to find entertainment and stimulation. But technology must do this by bringing people together, not pushing them apart.

If workers feel they are contributing to collective enjoyment and the collective meeting of needs, it is easier to imagine them working voluntarily. But what of the other side of the communist equation? Why should people not over-consume without a price system to ration consumption?

Under libertarian communism, people appreciate that they are producing a social product for everyone. Such a collective consciousness means taking more of anything than is needed will come to be seen as anti-social. People will tend to limit their consumption to preserve a good conscience and avoid social censure. However, leaving this purely to good will would not counter potential acquisitiveness by an anti-social few causing shortages and black markets. Thus, society will need some controls over consumption to ensure that goods are not consumed wastefully or greedily.

The general principles for distributing goods must of course be set democratically, as we will describe in the next section. These will include a system of 'voluntary rationing', which is in no way like war-time type rationing.



## Private property vs. fair share

It may be argued that consumers will never want to give up their current sense of 'ownership' of cars, houses, consumer durables and the like. But what sort of ownership do people really have? Nearly all housing and a great many durables are bought on loans, overdrafts or hire purchase. Houses are owned by banks or building societies for twenty five years or so. The householder then enjoys a decade or two of ownership before retirement brings the worry of possibly selling up to pay for nursing or residential homes. Likewise, consumer durables remain the property of the shop that sold them until all the repayments (at very high interest rates) have been made. After a fairly brief period of 'ownership', wear and tear means a replacement, complete with new debts. In a consumer society, the notion of 'private property' is a bit of a myth. It is more like the banks and credit agencies owning us rather than us owning property.

The new collective consciousness is not about suppressing the desire for personal ownership and economic self-interest, nor suppressing free speech, freedom of thought or positive aspects of individuality. Rather, it is about locating the individual within the collective, on the understanding that individual freedom and welfare can only be promoted in an environment where we all work together and respect, not dominate, each other. Underpinning this is the need to solve the current social and environmental problems.

In a libertarian communist society, the petty conflicts, anxieties and resentments that currently fill our lives will vanish. Competition for rank and privilege, fear of failing in the rat race, jealousy of those above us and contempt for those below will all be confined to history. Libertarian communism will therefore create the conditions for the fullest development of human potential. Individualistic energies will be channelled into creativity, dissidence, diversity and the quest for new knowledge.

## 3: Democracy and Planning

If people in a libertarian communist society are to adequately feed, house and cloth themselves, there must be planned economic activity. Spontaneous feelings of solidarity and local initiative are certainly necessary but, in themselves, they are not sufficient. Anarcho-syndicalists want a society where everyone's needs are met fully throughout their lives, and this requires a continuous, co-ordinated effort, rather than sporadic activity. It also requires democracy, as only a plan devised by involving the people as a whole can meet the needs of the people as a whole.

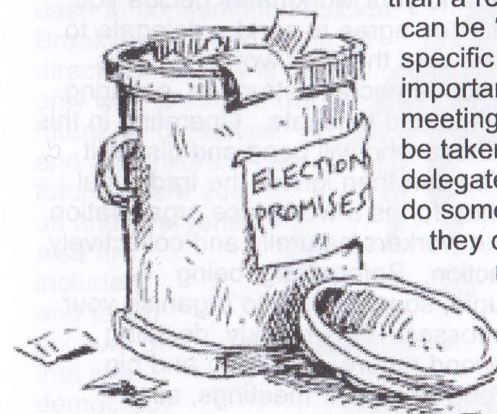
### Direct Democracy

Real democracy – let's call it direct democracy – works best when decision-making is by the largest group possible, such as 'mass assemblies' of communities or workers. Obviously, we can't all have a mass meeting across a city, region, or continent. So, while to be present when a decision is made must be the best option, it's not always possible. Therefore, any democratic process needs to take account of those who are not there.

The best way to do this is, when a person must be appointed to a task, they should be elected specifically to carry out our wishes – they should be a 'delegate'. **This is very different from a 'representative' like today's MPs and union leaders – people who have complete power to do what they like for a few years, including ordering us about.** A delegate has much more to offer

than a representative, since a delegate can be 'mandated' – provided with a specific task or tasks to carry out. This is important for those who cannot get to a meeting, but who still want their views to be taken account of. What is more, a delegate is 'recallable' – as soon as they do something that isn't in their mandate, they can be held to account, and recalled and replaced if necessary.

A mass assembly should be structured so that it cannot be hi-jacked by any





group or individual. It is no place for would-be representatives or their ilk, since hi-jacking is their speciality. Furthermore, delegates are elected freely by those whose views they are mandated to put forward and report back to those people afterwards. Having recallable, accountable delegates is what makes our democracy 'direct'. Your delegate is your direct information link with the meetings you don't go to, and someone you trust to keep information flowing both ways.

There are lots of possibilities for how, where and on what basis people meet to decide how things should be. At a basic workplace or local community level, the common factor is face-to-face familiarity with neighbours and fellow workers. Above this, different groupings are federated together. In fact, the eventual overall structure isn't as important as the democratic methods. Being involved, either directly or via a delegate, is fundamental to guarantee real democracy, rather than the insult promoted by the state and its apologists, in which the vast majority have no real say.

## Democratising the future

Suppose your workplace, which prints books, is on the edge of town; your trade union is next to useless; and your boss is polluting the local river. Currently, the state, on behalf of us all, allows the boss to pollute, even though, given a choice, no-one would give anyone permission to pollute. But in this sham 'democracy', the state legislates against obstructing the business of making profit.

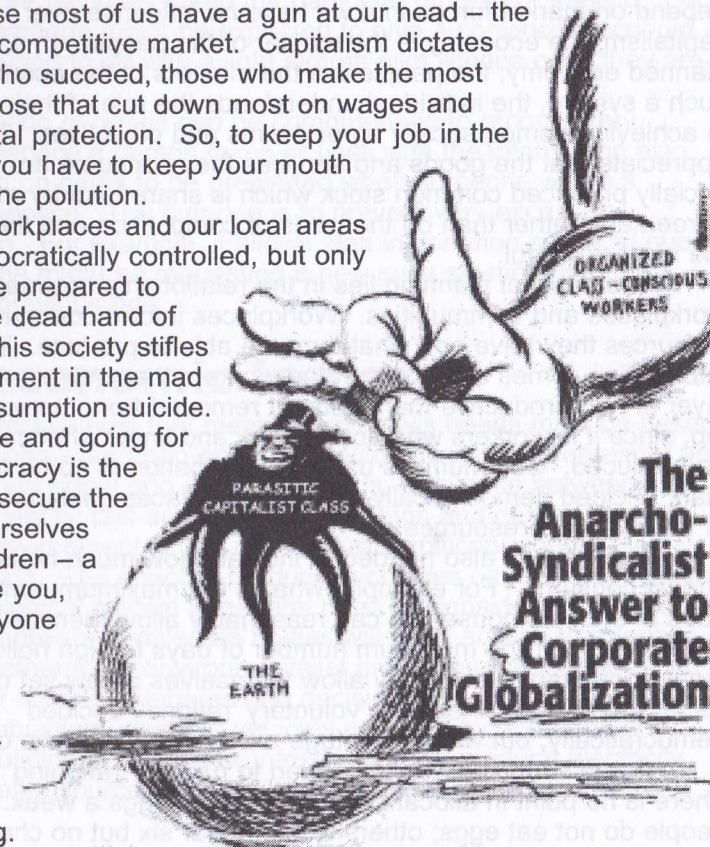
A meeting is called, and you and your workmates decide you can and should stop this pollution. You agree to send a delegate to the town's mass assembly to put forward the print workers' views. Your print shop has adopted a direct democratic structure, ensuring two-way communication via the mandated delegate. Operating in this way safeguards democracy from those who will bend and distort it against the collective interests. You can then ignore the traditional trade unions. Instead, the print shop forms a workplace organisation based on the mass assembly. The workers naturally and collectively form into one powerful mass for action. Before long, being subjugated to the boss seems stupid, so you begin to organise your workplace for yourselves without bosses. Very quickly, deciding things for yourselves becomes second nature. Planning and big decisions are discussed by everyone in regular meetings, so

everyone is an effective part of the whole. Also, everyone gets the same out, with equal wages, time off, privileges and opportunities, including a regular turn at the jobs you prefer.

Your print shop could communicate with bookshops, paper producers and any other similar groups both in your own local area and around the world. In this way, you could make sure that what is produced is worthwhile and necessary, and that production methods are viable without adverse consequences for workers and the environment. For instance, with the heavy hand of capitalism lifted from your backs, you would choose not to pollute your local river.

Of course, this little dream is just that at present, not least because most of us have a gun at our head – the myth of the competitive market. Capitalism dictates that those who succeed, those who make the most profit, are those that cut down most on wages and environmental protection. So, to keep your job in the print shop, you have to keep your mouth shut about the pollution.

Our workplaces and our local areas can be democratically controlled, but only when we are prepared to throw off the dead hand of the state. This society stifles self-development in the mad dash to consumption suicide. Breaking free and going for direct democracy is the only way to secure the future for ourselves and our children – a future where you, us and everyone else are included and taken account of – that is a democracy worth having.





## Planning basics

As outlined in section 2, anarcho-syndicalists wish to establish a society without money, a libertarian communist society, where work is done out of a sense of solidarity, rather than material reward, and goods are distributed free in a system of allocation according to need. To realise such a society, we propose a system of planned economic activity.

Planning should not be seen as a chore or a dull, technical matter. Economic planning that is genuinely democratic is a key pillar of the new liberated, social existence which we envisage. In capitalism, the individual is like an isolated atom buffeted by forces beyond its control. Jobs and livelihoods, wealth and poverty, all depend on market forces that we have no influence over. Under capitalism, the economy is the master of the people. In a democratic, planned economy, the people are the masters of the economy. In such a system, the individual understands the role of their own labour in achieving democratically agreed aims and objectives. They appreciate that the goods and services they consume are part of a socially produced common stock which is shared out by mutual agreement, rather than on the basis of competition and the triumph of the most powerful.

The basis of planning lies in the relationship between workplaces and communities. Workplaces inform communities what resources they have and what they are able to produce. This information comes directly from the workers themselves, not some layer of non-productive management removed from the realities of the job, since it is workers who do the work and know what can and can't be produced. Communities use this information to come up with a plan, decided democratically, to give workplaces guidance in their use of the available resources.

Guidance is also needed to indicate how much households should consume. For example, what is the maximum number of new pairs of shoes a household can reasonably allow themselves in a given year? Or the maximum number of days foreign holiday? Or the number of years before they allow themselves a new set of furniture? As far as possible, these are voluntary 'rations', decided democratically, but where shortage exists, they might be compulsory.

Some sophistication is needed to run this 'rationing' system. There is no point in allocating everyone four eggs a week. Some people do not eat eggs; others would prefer six but no cheese, and so

## Economic issues

on. In the case of food, it might be a ration of calories and nutritional intake, taking into account factors like age, height, special dietary and other needs. People would be entitled to any common foodstuff that met these needs, rather than being allocated quantities of specific foodstuffs.

Besides, not all goods are consumed by everyone. It is true that we all need food and housing. Almost all of us need furniture, a carpet, a fridge or an occasional holiday. It is relatively easy to calculate how much of such products people need and allocate accordingly. However, not everyone needs a violin, flying lessons or the resources to go on a month long excursion to Outer Mongolia. In this case people might be expected to prove a genuine need or strong interest before being allocated the particular product or service. For instance, someone might be expected to give a convincing account of what they intend to do with a light aircraft pilot licence once they are qualified.

Allocation of goods can be computerised to record every product or service a person takes or uses with the information also being stored on cards to be presented when someone wants a product or service. The purpose is to prevent very excessive consumption. For example, it allows staff in common stores to query why someone might be requesting a new suite six months after getting the previous one.

## Non-economic issues

An effective plan that meets everybody's needs must be based on both economic and non-economic factors, and must represent an interplay of individual and collective needs, a balance between objective scientific fact and subjective feelings and desires.

The environment is one of the most significant non-economic considerations. The effect of production choices on levels of pollution and the ecological system in general must be considered. Therefore mass assemblies and delegate bodies will need access to scientific evidence, gathered by environmentalist groups and other interested parties. For instance, debates and decisions on switching from the internal combustion engine to vehicles powered by hydrogen cell power, or building a whole new infrastructure to produce electricity from renewable sources, would definitely be required. The whole



## Planning basics

economy will need to be geared to the elimination of pollution.

Take the print shop by the river where, under capitalism, the boss pollutes the local river. After capitalism is overthrown, making profit is a thing of the past, so there is no longer an incentive to produce something 'efficiently', if this causes environmental damage outweighing the value of what is produced. The print workers' assembly decides the only way to stop the pollution is to introduce a new non-polluting production process. Delegates from the print shop contact other enterprises that produce the necessary machinery and raw materials and inform the community mass assembly of what they require to continue with their work. This enters into the community's deliberations when it is deciding on how to allocate resources and plan the economy.

Alternatively, environmentalists might take the lead, asking all print shops to no longer use certain processes and chemicals. The print shops are then called on to install new non-polluting processes, and inform their local communities of what they need and how much they can produce once the new processes are in place.

Workers' welfare is another important consideration. Society will have to look at a range of jobs and decide whether the addition to human happiness they create is worth the time and effort spent on them by workers. Must new varieties of the same product be designed every year? Do we need so much packaging? Do we really need mobile phones? The plan must also take into account health and safety. Some production processes require dangerous chemicals or unhealthy work practices. A plan that maximises production may have profoundly negative effects on workers in terms of long hours or stressful conditions. Information about the effects of production decisions on workers' welfare can be gathered by trade unions and communicated to workplaces and communities to help them in their planning decisions.

There are many other non-economic considerations such as consumer safety and the effect that the production of some products (for example motor cars or television) have on the quality of community life.

## Economic issues

Democratic planning is an attempt to find ways of using resources, both natural and man-made, which best meet the needs of all the people. The basic economic problem is that most economic inputs – land, capital, machinery, raw materials, etc. – have different potential uses. In a world where resources are limited, it is important to ensure we use inputs to make a significant difference to people's well-being. So, devising an economic plan involves deciding which projects to approve and which to reject or postpone due to lack of the necessary resources.

Some socialists have argued that we live in a world of such abundance that no economic choices need to be made. But we also live in a world where large amounts of work are done by large numbers of people. For economic inputs to be made useful labour is required. However, one of the aims of anarcho-syndicalists is to reduce labour hours. In other words, labour will not be so abundant, and, inevitably, choices about what we need to consume and what we do not need to consume will have to be made. To meet all the desires of every individual, workers would need to work long hours, and this cannot be expected in an economy where labour is voluntary.

## Planning dynamics

In our model of democratic planning, the plan is a list, in order of importance, of all the consumer goods and services the community needs. Expanding production of products at the top of the list has priority over those lower down. Once the priority list is agreed, enterprises use it to organise production on their own initiative. People's day to day work is in no way dictated by bureaucrats.

People must decide how to use scarce resources to best meet their needs. If housing and text books are top priorities, then these get the first call on resources. Production of products regarded as less useful should only be increased if there are resources left once the higher priorities are met.

When it comes to supplying resources, producers of products at the top of the list get the first refusal. Naturally, this means that these workplaces will find it easier to expand production than those who are producing lower priority products. In a world based on solidarity, people will only order what they are actually going to be able to use to increase production in their workplace, and not wastefully over order



## Calculating the cost

Priorities and targets, then, are part of the story, but we have yet to completely solve the problem of resource allocation. Giving a high priority to the production of textbooks is great, but we also need an approximate idea of the resource cost of this high priority. Five million books in the next year may be the ideal figure from the point of view of the schools and colleges, but can this be afforded? How much furniture production would be lost, and is this acceptable?

We have to juggle people's differing needs and desires with the available resources. More than this, it is about calculating people's needs, as well as the availability of labour, raw materials, etc. A capitalist decides whether a project makes economic sense by calculating the costs and benefits of different proposals in monetary terms. Prices reflect three factors: the scarcity of inputs; the scarcity of final products and services; and the strength of customer demand. While the pricing system provides a means by which these factors are considered, it remains a grossly inadequate way of deciding which projects to approve or reject. Nevertheless, a substitute for pricing must be found in a moneyless economy.

Simplistic answers such as 'the workers will produce what people need, and it will be obvious to everyone what this is' will not do. Trebling the house building program in the next year may seem like a good idea, but people might approve this without appreciating the vast amount of time and resources necessary. It may leave virtually no resources to build new schools, hospitals or other buildings needed by local communities. It is clearly much better if resource costs can be estimated prior to the start of the project.

As the price of inputs cannot be calculated in financial terms in a libertarian communist economy, they are calculated in kind. This means that costs and benefits of economic projects are calculated in terms of their effect on the physical availability of other goods and services. For example, the cost of producing 300 new houses might be calculated as two unbuilt hospitals.

The only way to make these kinds of calculations across a whole economy is through a computer model that can show the economic effects of adopting a given set of priorities. It could, for instance, show how many hospitals would be sacrificed if we want to give houses a higher priority; or how much furniture production will drop if textbooks are number five in our priority list and we produce five million of them.

materials.

Take the print shop as an example. Text books have been given a high priority, so schools order more from the publishers who, in turn, order more from the print shop. This means that the print shop must do extra work. On the other side of town is a furniture factory. To conserve forests, wooden furniture gets a low priority to offset the effects of printing more books. Timber workers therefore give priority to paper manufacturers over furniture companies. Having less wood to work on, furniture workers have less to do and the community will expect the furniture industry to encourage some of its workers to seek employment in other industries that need more labour. Workers in the furniture factory in our town may decide to go and work in the print shop or in some other place that requires more help. It is their choice where to go, and they are not subject to any kind of compulsion.

Just setting priorities is not the whole story, however. Even if an industry is producing a priority product, we do not want to swallow all our resources to the exclusion of everything else. Therefore, there must be some kind of limit on the production of products. For instance, society might decide that, while textbooks are a priority, there is no need to produce more than five million of them in the next year, so some resources go to lower priority industries.



To do this, the model needs information about what resources exist in the economy as a whole; what resources are held in the different workplaces; what labour exists, what kinds of skills workers possess and what kind of jobs workers are looking for; what each workplace is producing with the resources currently at its disposal; and, importantly, what each workplace could produce if its resources were to rise or fall. All this will enable the model to work out the effects on one part of the economy of increasing production in another.

In our example, the computer might show that producing five million more textbooks will mean diverting so much timber from the furniture industry that long waiting lists would appear. The computer could generate an alternative plan whereby only three million more textbooks are produced and the loss of furniture is a lot less serious.

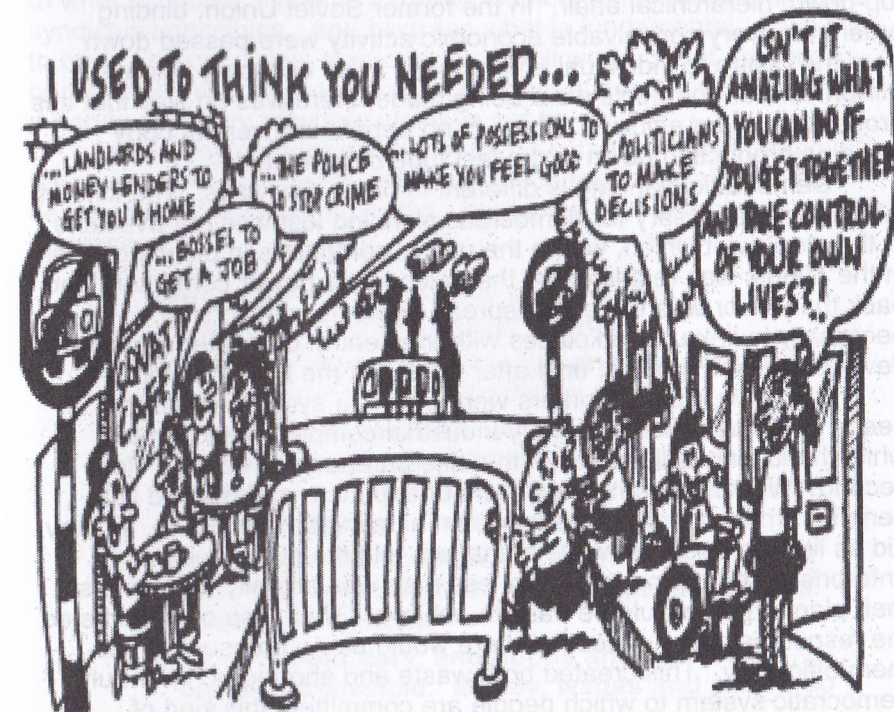
In a democratic system, the people must have a choice of different plans. The use of modern computer technology can help this process immensely. Though the job of modelling an entire economy in this way is vast, modern computer technology is capable of meeting the challenge.

Once the plan is agreed, no more is needed from the computer model. Enterprises just work according to the priorities that are laid down. Timber workers know they have to give priority to supplying paper producers rather than furniture makers. Workers do not need precise directions from the computer – after all, the plan is based on the predictions of the workers themselves about what they can do given various allocations of resources. It is now just a matter of trying to make these predictions happen.

Of course problems may occur and everything may not go quite as intended. The old Soviet idea of a planning, where even the most minute economic activity was completely predictable, belongs to the past. Any prediction is an approximation and as new information comes in, models and priorities must change. The point of democratic planning is to allow the people to manage this business of dealing with unforeseen circumstances and accidents. It is about ordinary people being able to engage with the economic forces that affect their lives, rather than being dominated by them.

Some might argue that this kind of planning is too complicated to be really under the control of the people. The list of consumer goods and services any economy creates runs into the hundreds of

thousands. However, imagine all the useless products, services and jobs which are around today and which we will no longer bother with - moneylenders, landlords, goods which don't work or don't do what they promise...



Of course, planned production must be summarised in a form which relates to people's everyday experiences. So, for example, rather than describing fruit juice production in terms of x thousand litres for the coming year, using the equivalent consumption per week for a typical household instead is much more digestible. These production targets will also be the voluntary shares once the plan is approved, showing that consuming more than this amount will be depriving others of the product and creating shortages.



## Economic democracy

Those on the right argue that economic planning is exposed by the notorious shortages and inefficiency of the Soviet Bloc economies. However, planning is required in all economies; the difference is that planning in a libertarian communist society is not a top-down, hierarchical affair. In the former Soviet Union, binding orders on every conceivable economic activity were passed down from the centre to individual enterprises. In an economy where 12 million different products were being made, there was no way that this process could be efficient. There is no benefit in a central body deciding production down to the last tube of toothpaste.

Democratic planning is different in other vital ways. The kind of technology necessary for democratic planning just was not available in the old Soviet Union, where the use of computers in planning, even in the 1980s, was restricted by the much lower power computers had back then. Nor was there widespread computer networking, necessary to link up workplaces with the central computer system that devises the plan models, until after the fall of the Soviet Union.

Secondly, Soviet workers were part of a system where the needs of the vast Soviet military-industrial complex were primary, while the luxurious lifestyles of the elite bureaucracy came a close second. Workers had no say in what happened, and derived little benefit from their work. This led to an all-pervasive cynicism, so they did as little as possible, while managers told the state their enterprises could produce much less than was actually the case, so their plan targets would be easy to achieve. They also overestimated the resources they needed, so there would be no pressure to use them efficiently. This created both waste and shortages. In a truly democratic system to which people are committed, this kind of behaviour would be rare.

Planning in a libertarian communist society is a synthesis of the local and the global. Its basis is solidarity, popular decision-making and the involvement of all. It reconciles the need for a broad overview of activity in the economy as a whole, with the need for initiative and feedback from individual workers' collectives and local communities. It also combines the need for technical systems of resource allocation – planning – with the need to keep everything under direct democratic control. Everyone is involved in how things work, not just a bunch of technocrats. As such, it is a practical means of creating a genuine economic democracy.

## Conclusion

There is a lot that can be said about future ideas for economies. Some of it is merely musing; some is more concrete; and some is fundamentally necessary. Having said this, there is clearly no one true 'blueprint' for a libertarian communist economy – local communities and federations of communities will have autonomy as to what economic systems they use, subject to the basic anarcho-syndicalist principles. And here lies what is fundamental. If we stick to basic key principles, everything else will work. What are these principles? Well, we have discussed them at some length, but here is a handy summary of where we have got to.

While any modern economy will be complex, the simplicity of a future anarcho-syndicalist economy lies in the fact that it will be defined by a few basic principles. It will be a true anarcho-syndicalist economy if:

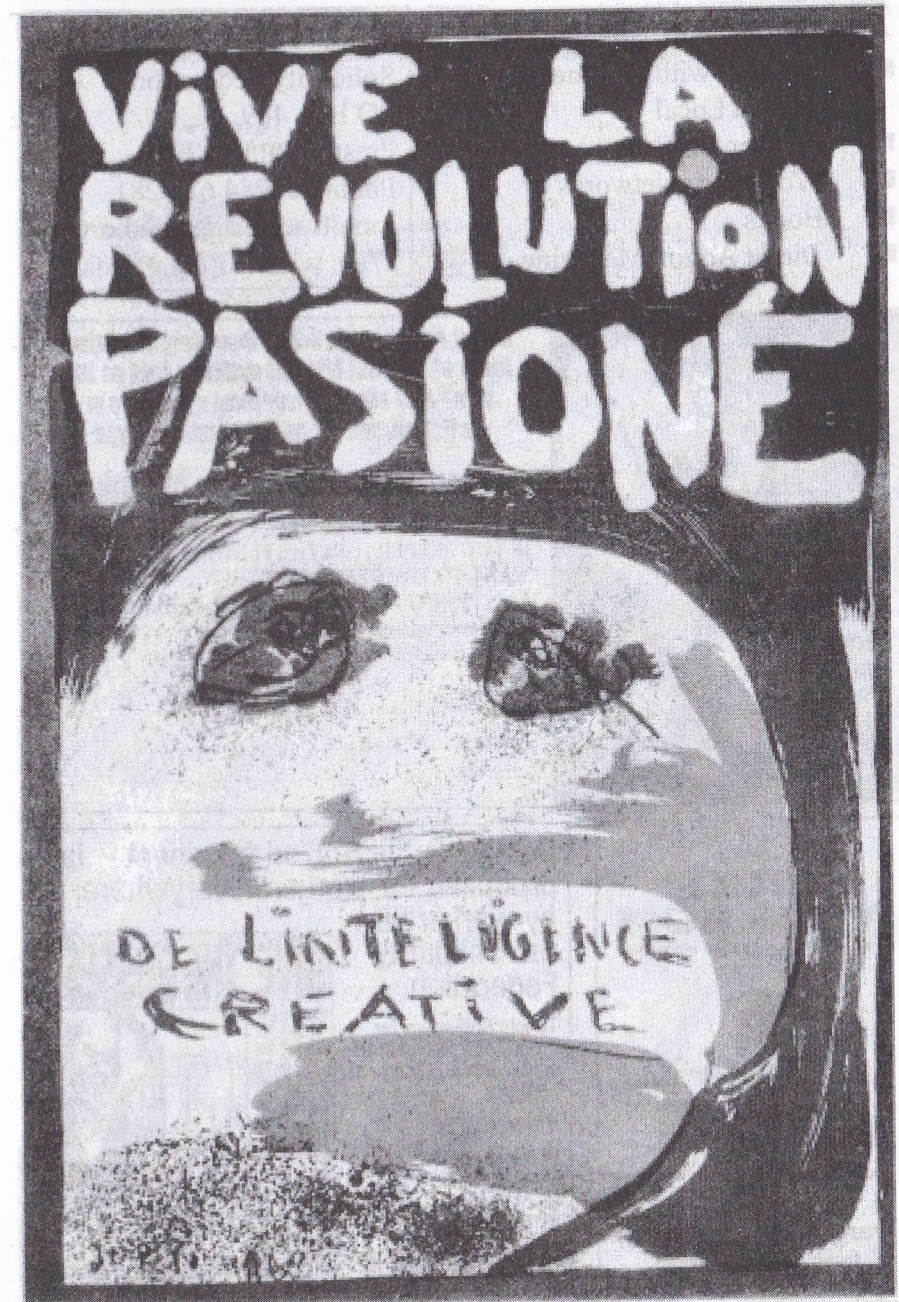
1. **There is no mechanism for profit, or for concentrating wealth and capital.**
2. **Workplaces are collectively run and are controlled directly and democratically by workers.**
3. **Any organisational/administrative bodies are composed only of recallable, accountable delegates who are elected by mass meetings in the workplace or community.**
4. **Property is held in common (though clearly, we all have the right to our own living space, personal possessions, etc.).**
5. **All work is voluntary, and goods and services equally accessible. Money, wages and prices do not exist.**
6. **There is a significant level of economic planning, but not centralised. Regional or wider-scale planning is for complex and larger scale modes of production. Local production and consumption is not subject to regional planning, but is on the basis of self-sufficiency.**

An economy that operates under these principles is one that is a lot more desirable and effective in ensuring quality of life than the



current capitalist chaos. There are lots of ways in which people will feel the incentive to work voluntarily, and there are lots of different ways in which local and regional economies might work. Some people may migrate to economies which suit them. Some economies may be simpler, based on self-sufficiency more than anything else; others will be more integrated and produce complex goods. The options are many, but the principles will ensure that everyone has the time and the inclination to get involved in planning and participating in their economy – a far cry from the present rotten, corrupt, and cynically selfish system we have the misfortune to be saddled with.

Getting from here to there is not going to be easy, but capitalism was created by humanity and can be replaced by humanity. The collective act of wrenching control of our own economic lives from the hands of capitalism is the long-overdue revolution we so desperately need. The success of replacing capitalism will be measured by how much it leads to us taking control of our own destiny, rather than simply passing it on to some other power, as previous failed revolutions have done. Real progress is best made not by producing detailed blueprints (for that way lies the slide into abstract politics and leadership), but by sticking to basic principles, and concentrating our efforts on taking action for real change. Real democracy requires real solidarity – and that means agreeing the basics and then trusting ourselves and the rest of humanity to get on with it. Keeping it real is the key.



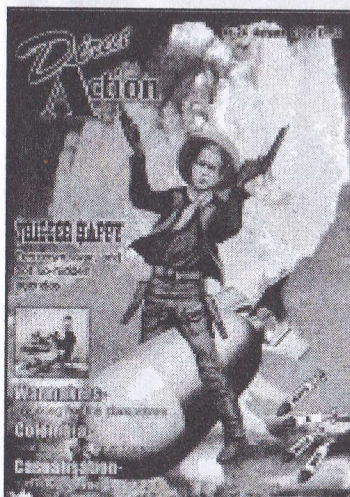


## To get:

- In touch with your nearest SolFed Local
- Info. on SolFed
- Workplace Networks
- Books
- Direct Action Magazine

## ...contact:

Solidarity Federation,  
PO Box 469,  
Preston PR1 8XF.  
Phone: 07984 675 281  
Email: [solfed@solfed.org.uk](mailto:solfed@solfed.org.uk)  
Web: [www.solfed.org.uk](http://www.solfed.org.uk)



**Direct Action is the SolFed Quarterly magazine. Many of the best bits are available free on the web. Just slip into your local cybercafe or switch on, and at the right moment, type:**

**[www.direct-action.org.uk](http://www.direct-action.org.uk)**

IF YOU PREFER IT IN THE FLESH AND YOU WANT TO TRY BEFORE YOU BUY...  
For a FREE COPY of the quarterly mag Direct Action, fill in your address and send this slip to:  
SF, PO Box 469, Preston PR1 8XF.

Name.....

Address.....

.....

**THE STUFF YOUR BOSS DOES NOT WANT YOU TO KNOW**

**A GUIDE TO YOUR RIGHTS AT WORK BY WORKERS FOR WORKERS**

Free leaflets (1-100, just say)  
from: Sheffield SolFed,  
PO Box 1095, Sheffield S2 4YR

**Catalyst - the SolFed freesheet - is produced for workers everywhere, by workers in the Solidarity Federation.**

To join SolFed, or for copies of Catalyst or to send contributions, contact:

07984 675 281

Catalyst, SF,  
PO Box 29, SW PDO,  
Manchester  
M15 5HW.

[solfed@solfed.org.uk](mailto:solfed@solfed.org.uk)  
[www.solfed.org.uk](http://www.solfed.org.uk)

