

## 3 Socialism

### 3.1 KEY TERMS

- Capitalism – an economic system in which wealth is owned by private individuals or businesses and goods are produced for exchange, according to the dictates of the market
- Utopianism – a belief in the unlimited possibilities of human development, typically embodied in the vision of a perfect or ideal society, a utopia
- Communism – the principle of the common ownership of wealth, or a system of comprehensive collectivisation; communism is often viewed as ‘Marxism in practice’
- Social democracy – a moderate or reformist brand of socialism that favours a balance between the market and the state, rather than the abolition of capitalism
- Labourism – a tendency exhibited by socialist parties to serve the interests of the organised labour movement rather than pursue broader ideological goals
- Fraternity – literally, brotherhood; bonds of sympathy and comradeship between and amongst human beings
- Cooperation – working together; collective effort intended to achieve mutual benefit
- Egalitarianism – a theory or practice based on the desire to promote equality; egalitarianism is sometimes seen as the belief that equality is the primary political value
- Collectivisation – the abolition of private property and the establishment of a comprehensive system of common or public ownership, usually through the mechanisms of the state
- Social class – a social division based on economic or social factors; a social class is a group of people who share a similar socio-economic position
- Bourgeoisie – a Marxist term denoting the ruling class of a capitalist society, the owners of productive wealth
- Proletariat – a Marxist term denoting a class that subsists through the sale of its labour power; strictly speaking, the proletariat is not equivalent to the manual working class
- Nationalisation – the extension of state or public ownership over private assets or industries, either individual enterprises or the entire economy (often called collectivisation)
- State socialism – a form of socialism in which the state controls and directs economic life, acting, in theory, in the interests of the people
- Fundamentalist socialism – a form of socialism that seeks to abolish capitalism and replace it with a qualitatively different kind of society
- Revisionist socialism – a form of socialism that has revised its critique of capitalism and seeks to reconcile greater social justice with surviving capitalist forms
- Revolution – a fundamental and irreversible change, often a brief but dramatic period of upheaval; systemic change
- Gradualism – progress brought about by gradual, piecemeal improvements, rather than dramatic upheaval; change through legal and peaceful reform
- Eurocommunism – a form of deradicalized communism, most influential in the 1970s, which attempted to blend Marxism with liberal-democratic principles
- Bourgeois ideology – a Marxist term denoting ideas and theories that serve the interests of the bourgeoisie by disguising the contradictions of capitalist society
- Class consciousness – a Marxist term denoting an accurate awareness of class interests and willingness to pursue them; a class-conscious class is a class-for-itself
- Dialectical materialism – the crude and deterministic form of Marxism that dominated intellectual life in orthodox communist states

- By the First World War, the socialist world was clearly divided between those who sought to achieve socialist ends through revolution and those who instead preferred to use the ballot box
- The Russian Revolution of 1917 entrenched this divide: revolutionary socialists followed the example of Lenin and the Bolsheviks adopting the term 'communism', while reformist socialists referred to their approach as either 'socialism' or 'social democracy'
- The twentieth century witnessed the spread of socialism into African, Asian and Latin American countries with little or no experience of industrial capitalism
- Socialism developed in these countries out of an anti-colonial, often nationalist attitude
- The idea of class exploitation was replaced by that of colonial exploitation, creating a potent infusion of nationalism and socialism
- The Bolshevik model of communism was imposed in eastern Europe after 1945, and was adopted in China after 1949, subsequently spreading to North Korea, Vietnam, Cambodia and Laos
- More moderate forms of socialism appeared elsewhere, as with the Congress Party in India
- African socialism adopted the values of traditional tribal life, i.e. Julius Nyerere's policy of 'villagisation', and Arab socialism intertwined with the values of Islam
- In Latin America, socialist revolutionaries waged war against military dictatorships, often seen to be acting in the interests of US imperialism in the 1960s and 70s:
  - The Castro regime, which came to power in Cuba after the Cuban revolution of 1959, developed close ties with the USSR
  - The Sandinista guerrillas who seized power in Nicaragua in 1979 remained non-aligned
  - In Chile in 1970, Salvador Allende became the world's first democratically elected Marxist head of state, but was overthrown and killed in a CIA-backed coup in 1973

### 3.3.3 The 'death of socialism'

- Since the late twentieth century, socialism has suffered a number of spectacular defeats that have led some to proclaim the 'death of socialism'
- The most dramatic of these was the reversal and collapse of communism in the eastern European revolutions of 1989-91
- However, rather than formerly Marxist socialists uniting around Western social democracy, these social democrats in fact threw off many of their traditional socialist elements, such as the removal of Clause IV in the UK Labour Party in 1994
- Traditional socialist parties began to borrow elements of liberalism and even conservatism

## 3.4 CORE THEMES – NO MAN IS AN ISLAND

- One of the issues with analysing socialism is that the term is understood in at least three distinctive and different ways:
  - Socialism as an economic model
  - Socialism as an instrument of the labour movement
  - A political creed or ideology
- Socialism as an economic model often links with some idea of collectivisation or central planning, providing an alternative to capitalism – thus we arrive at a choice between two distinct models, capitalism and socialism; yet this is an illusion, as neither 'pure' capitalism nor 'pure' socialism are commonly advocated
- Socialism as an instrument of the labour movement portrays socialism as a form of 'labourism', a vehicle for advancing the cause of organised labour – as a result, the significance of socialism fluctuates based on the fate of the labour movement; however, socialism has been associated with skilled craftsmen, the peasantry, and even political and bureaucratic elites, so this 'labourism' interpretation is inadequate

- Crosland therefore recast socialism in terms of social justice, rather than the politics of ownership, where wealth could be redistributed through a welfare state, funded by progressive taxation
- However, Crosland recognised that economic growth would boost the tax receipts of the government, enabling them to spend more on the welfare state, therefore improving social justice, and so it may be wise to cut tax rates to encourage growth in order to guarantee long-term tax revenues

### 3.7.3 The crisis of social democracy

- Social democracy encountered a number of problems in the latter half of the twentieth-century:
  - Since the 1980s, the tide of democracy flowed away from progressive politics in favour of what J. K. Galbraith referred as the 'contented majority' and this led to electoral failure<sup>20</sup> – the UK Labour Party lost four successive elections between 1979 and 1992
  - The economic viability of social democracy fell away following globalisation, since the social democratic model relied on the ability of states to function as independent and discreet units
  - The intellectual viability of socialism was undermined by the collapse of communism, since the 'cybernetic model' of socialism<sup>21</sup>, with the state acting as the competent and controlling brain, could no longer be relied upon, since the state-as-brain was competent no more

### 3.7.4 Neo-revisionism and the 'third way'

- The 'third way' refers to a desire to offer an alternative path to communism and capitalism
- A number of key 'third way' or neo-revisionist themes can be identified:
  - A rejection of 'top-down' socialism
  - An emphasis on community and moral responsibility
  - A consensus view of society
  - Social inclusion (instead of equality)
- There is no return for the socialism of the past; a common economy is no longer possible, making way for 'a dynamic market economy' as referred to in the revised Clause IV of the Labour Party Constitution.
- Communitarianism is required to guarantee social cohesion, since it may otherwise be lacking in a market fundamentalist society, which could easily become a free-for-all, undermining the moral foundations of society
- Community highlights the ties which bind all members of society and therefore hide or conceal class, race, or gender differences – a 'knowledge-driven economy' suggests that rewards are given not on the basis of structural inequalities but rather according to the fluid distribution of work-related skills across society
- 'Third way' ideas about the welfare state reject both the neoliberal idea of 'standing on your own two feet' as well as the democratic socialist idea of 'cradle to grave' welfare – instead, welfare is extended to the 'socially excluded' and should follow the modern liberal principle of, as Bill Clinton put it, 'a hand up, not a hand out'

<sup>20</sup> Galbraith, J. K., 1992. *The Culture of Contentment*. 1st ed. Boston: Houghton Mifflin Company.

<sup>21</sup> Giddens, A., 1986. *The Constitution of Society: Outline of the Theory of Structuration*. 1st ed. London: Polity Press.