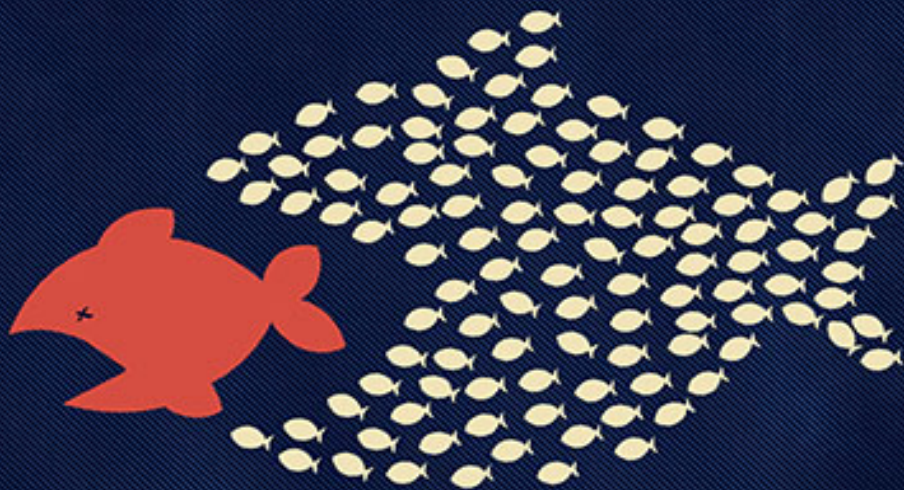


Overcoming Capitalism

Strategy for the Working Class
in the 21st Century



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Acknowledgments

I think I began asking myself the question, “How can the working class free itself from class oppression?” back in the late sixties. In that era a helpful source of insight for me was Bertrand Russell’s clearly written little book, *Roads to Freedom*. Russell provided a reasonably objective evaluation of the various radical alternatives of the World War I era—Marxism, Kropotkin’s “anarchist-communism,” syndicalism, and guild socialism. In this book, I follow Russell’s example, to some extent, in providing an examination of the major strategies proposed by various radical-left tendencies in recent decades. Russell and other English-speaking philosophers in the early-twentieth century placed a strong emphasis on clarity of analysis and making the writing accessible to people in general—a practice I’ve tried to emulate.

When I was helping to organize a union of teaching assistants at UCLA in the early seventies, a union supporter who was an anarcho-syndicalist, Ralph Alvy, suggested I read about the revolution in Spain in the 1930s—an event I hadn’t heard about until then. Reading through the detailed eyewitness account of widespread worker self-management in Gaston Leval’s *Collectives in the Spanish Revolution* (recently reprinted), I was deeply impressed. Other writers have explored other aspects of that movement—such as Martha Ackelsberg’s *Free Women of Spain*, which offers a detailed account of the impressive movement built by anarcho-syndicalist women militants through the Mujeres Libres organization. These and other accounts helped me gain an appreciation of the syndicalist mass worker movement in Spain in that era. That movement gave concrete evidence for the revolutionary potential of grassroots unionism, and the ability of working people to build “from below” a worker-controlled form of socialism.

The purpose of this book is to provide an up-to-date exposition and defense of revolutionary syndicalism in English. Since I first became committed to the ideas and politics of libertarian socialism and syndicalism back in the seventies, a half century has flowed under the bridge. During

these years, I've learned from countless conversations with labor and social movement activists and my radical comrades and friends. I've also learned from reading countless essays, memoirs, and books. (Some are in the footnotes.) In short, I've learned from many people—far too numerous to mention.

Putting this book together has taken a number of years. AK Press has been patient for a book-writing project that has taken me longer than I imagined. I want to thank my editor Zach Blue for his patience and suggestions along the way, and Christen Cioffi for their help with the book promotion.

Writing can be a sort of lone activity. Mainly it's my quirky cat Lucy who has kept me company, purring with her paws over my shoulder as I was reading books and essays. I had numerous talks with my friend James Tracy who also read all the chapters as they were written and gave me feedback. Andrej Grubačić also provided helpful conversations and comments along the way. Robin Hahnel's comments on the last chapter, "From Syndicalism to Libertarian Ecosocialism," helped me to improve and clarify the economic proposals I make there. I had many conversations about labor history and workplace strategy with my long-time syndicalist friend and comrade Mitch Miller, who also read a number of the chapters. Ideas about the relationships among worker and social movement organizations have also been part of my conversations with local syndicalist comrades, Steve Ongerth and Ricky Grams.

I also want to thank James Tracy, Andrej Grubačić, and Robin Hahnel for the endorsement comments they provided for AK Press.

Introduction

There are many reasons why humanity needs to ditch the capitalist regime. The heart of the system is the extraction of wealth from the labor of the working class. Workers don't have their own independent means to a livelihood. A person down the block, Maria, has been out of work for a while. She's running out of funds, can't pay her rent, and is at risk of being thrown on the street. Finally, she gets a low-wage job offer in food prep. She can honestly say she "had no choice," was "forced" to take the job. This is part of the working-class condition. Workers are forced to seek jobs from employers. That's how we get money to pay the rent, shop for food, buy medicines, and so on.

Once we're hired, we must submit to the autocratic management schemes the firms have set up. Usually, we have close to zero say in the running of the workplace or the labor process. If we think about it, this runs counter to human nature. Working people do, in fact, have the *capacity* to learn and acquire skills and control our own work, and to cooperate with others to run workplaces in a democratic way. But this potential is trampled by the capitalist labor-control regime. Management power is in fact inherently coercive. That you can be threatened with firing—loss of your livelihood—for trying to build a union or for questioning things, implies that managers have a coercive power over you. And this regime exists so that profits can be pumped out of our labor, to enable firms to expand into new markets, do mergers and acquisitions, pay high salaries to those in management, and invest in new technologies to eliminate jobs. This is a brief summary of a system rooted in class oppression and exploitation.

But the capitalist set-up isn't just the class-control scheme. Capitalist society is layered with various destructive fault lines. American capitalism has always had its tendencies to inequality based on racialized and gendered divisions. The system's top-down bureaucratic state is there to hold it all together and protect elite interests. The worsening environmental crisis—from pollution of air and water to the imminent threat of global warming

—is rooted in the pervasive cost-shifting behavior of companies.

If the oppressed and exploited majority is to liberate itself from this regime, we can't avoid the need for strategic thinking. Most of this book is a discussion of strategy—strategies for getting rid of capitalism. A plausible politics for replacing the capitalist regime requires realistic ideas about the methods of action and organization that could build a social movement with the capacity to transform the society.

Strategy for social change is closely linked to what the vision or goal is that we want to achieve. The vision for a replacement for capitalism is going to also influence our strategy since the strategy needs to have a good “fit” with what our aim is. The society that emerges in a period of heightened struggle and social conflict is likely to reflect the social forces that drove that change—their organizational practices and aspirations.

Bringing an end to the regime of class oppression and exploitation is going to require doing away with private ownership of the nonhuman means of production—the various facilities used in all the industries. This is why the movement for a replacement system is called *socialism*.

But socialism is a contested concept. Since the nineteenth century, socialists have differed in both their conception of the goal and their strategy for getting there. By the 1920s, a number of different “grand strategies” had been developed by various groups of socialists. Such strategies as (1) cooperativism, (2) a party-oriented strategy based on electoral politics and electing socialists to government office, (3) revolutionary libertarian unionism (also called *syndicalism* in English-speaking countries), and (4) the “communist” (or Leninist) movement based on the model of the Bolsheviks in the Russian revolution.

I've written this book to try to explain what syndicalism is, and to defend an updated version that is relevant to the twenty-first century. Movements for changing the society start from particular fault lines in the system—as struggles emerge around particular issues or demands. As we lack the power to fundamentally alter society right now, the changes we fight for at first are going to be limited. They're going to be “reforms,” in other words. But there are different ways that reforms or short-term changes can be fought for. Some people might advocate the use of electoral politics as a strategy to fight for reforms—electing radicals or progressive reformers to government office. Some might rely on the large foundation-funded, staff-driven non-profits, or expect the full-time paid union hierarchies to

represent us. But syndicalists don't favor strategies of that sort because those strategies don't build on direct participation and direct solidarity and direct control of our own organizations such as unions.

Syndicalism combines a libertarian vision of self-managed socialism with a grassroots movement-building strategy that is a good "fit" with that goal. Unlike party-oriented socialism, syndicalism tends to follow the libertarian socialist emphasis on face-to-face participatory democracy—in worker, union, or neighborhood assemblies. The idea is that working-class power in the workplaces and the society can only be built by working people themselves—using their own action and solidarity through mass organizations they directly control. Syndicalism is an "extra-parliamentary" strategy; in other words, it is based on mass action and self-organization, which develops independently of the politics of parties and elections.

One criterion that I use in evaluating strategies is how well they contribute to the process called *class formation*. This is the more or less protracted process through which the working class overcomes fatalism and internal divisions (such as those of race or gender), acquires knowledge about the system, and builds the confidence, organizational capacity, and the *aspiration* for social change. An awareness of class conflict, the importance of solidarity, and sub-groups of the working class developing links and mutual support are part of a developing "class consciousness." The working class needs to develop its own class-wide agenda and "gather its forces" from the various areas and sectors of struggle to form a united bloc with both the power and agenda for change.

Since World War II, powerful bureaucratic layers—layers of paid officials and staff in unions and the layer of professional politicians, party operatives, and think-tank staff in electoral politics—have created a major barrier to the advance of class formation because of the ways they discourage direct participation, militancy, and the broadening of direct struggle against the employers and the powers-that-be. These bureaucratic layers have a personal stake in protecting their institutional position—for example, it is in their best interests to not scare off middle class voters and to minimize risks to the survival of union organizations. Thus the bureaucratic layers tend to keep the working class captive to the capitalist regime. This means we need to avoid strategies for social change that rely upon or build up these bureaucratic layers.

Syndicalists propose to get around this problem by building struggles

and mass organizations independently of these bureaucratic layers. There are three aspects to this:

- A strategy based on disruptive direct action like strikes, work-to-rule, tenant rent strikes, workplace occupations and other forms of disruptive mass struggle rather than relying on “professionals of representation” (paid union hierarchies and professional politicians).
- *Self-managed class unionism*: Workers taking direct control of struggles with the employers—and direct control of the organizations people use in such struggles. Syndicalists also advocate for large self-managed organizations in other areas of struggle such as tenant organizations. *Class unionism* means bringing these worker organizations together on a class-wide basis so they can overcome sectoral isolation and develop cross-sector solidarity and a class-wide agenda for change.
- The emergence of a more active and wider solidarity among the oppressed and exploited majority—building a movement based on the principle “An Injury to One Is an Injury to All.” Class-wide solidarity and a coordinated movement are needed in order to maximize the power working-class people have to make changes. The ultimate goal would be to bring the worker unions and grassroots social movements together into a common front or alliance to challenge the power of the dominating classes.

If a new form of syndicalism emerges on a large scale in coming years, it won't look exactly like the syndicalism of the World War I era or the 1930s. The various popular insurgencies of previous decades make clear that new issues come to the fore over time. New groups of people become active, and new areas of struggle emerge as the fault lines of the system shift. In this book I suggest that a counter-systemic bloc or social movement alliance is needed to bring together the various threads of struggle against the various forms of oppression and destructive consequences the system is bringing down on people today.

A core part of the syndicalist goal is worker collective self-management of the industries and public services. This is an essential condition for an authentic socialism. If workers do not run the places where we work, then some other class will—such as the class of managers and high-end professionals set over workers by the capitalists in the present capitalist regime. Workers were also subordinate to a class of this sort in the so-called “Communist” countries.

There are several reasons why widespread expropriation and direct worker self-management of industry needs to be at the top of the agenda in a period where social conflict opens up the possibility of social transformation:

- To break the power of the bureaucratic control class (the class of managers and high-end professionals).
- To ensure that the needs and desires of the population are met in a period that may witness widespread disruption.
- To begin the process of re-organizing industries to diminish their ecologically destructive effects and to make for a work environment that protects worker health and wellbeing.

Part of the idea of an alliance based on mutual support is that the various organizations have come to take on goals and struggles of the various sub-groups that make up a diverse working-class population. This is where we try to work to the principle, “An Injury to One is an Injury to All.” We can anticipate that the program developed by the alliance will be geared to overcoming the series of destructive and oppressive features that have motivated the various movements.

As a core part of this, the working-class-based social alliance that comes together and is building toward a self-managed socialist society will need to develop a program that can enable the working class to liberate itself from class oppression. But the answers here are not automatic. This is why it is relevant to have discussions today of basic components of a revolutionary program. We need to develop agreement widely around the goals of the movement as it grows and develops, which is why we need to discuss what self-managed socialism looks like. Part of this is learning from the failures of socialism in the twentieth century. In the last chapter I offer some ideas about forms of political and economic power in self-managed socialism as it emerges in a period of social transformation.

Chapter 1: Freedom and Oppression

In this chapter I will begin building my case against capitalism, but first we need a basic understanding of what it is.

The capitalist social order is relatively recent in human history. It was only in the 1800s that the capitalist economic structure became dominant in the United States. Now there are thousands of capitalist firms with operations all over the world. In the various countries where capitalism is dominant, the system has several essential features, which tend to persist over time:

- Ownership and control over use of non-human means of production is concentrated into few hands. The non-human means of production includes anything that people use to produce goods and services for others in society: Land, buildings, equipment, utility grids, and so on.
- Production of goods and services occurs in a mostly uncoordinated way through competing firms. Relatively autonomous actors enter into generally uncoerced contracts and relations of buying and selling. According to the system's defenders, the relative absence of coercion in market relations is what makes the market "free."
- There is a large pool of people—the vast majority of the population in the United States—who don't own means of production they could use to make a living. To gain access to goods and services—a share of the social product—this large majority seek jobs where they rent their abilities to the privately owned businesses (or to the government).

Within capitalism, a business has a legal role that David Ellerman calls the *residual claimant*.¹ This means two things: First, the business is responsible for its expenses and, second, that the business can lay claim to the sales revenue. Even though the workers make the product, the employer owns it. If a company's sales revenues are greater than its operating expenses, taxes, and depreciation, it has a profit. If total expenses are greater than revenues, it has a loss.

Which brings us to another essential feature of capitalism: The relentless

pursuit of profit. This isn't explained simply by saying "people are greedy." Although capitalism does encourage greed, the pursuit of profit isn't due to personal quirks of business people. Competition forces businesses to pursue profit. If a firm doesn't constantly seek to minimize its expenses in production and expand its market share, its resources won't be as large as the competition.

In a capitalist economy, size matters. The larger a corporation is, the more resources it has to buy up competitors, build new facilities, hire experts and managers, design new products or methods of production, or move operations to other countries where they can pay people lower wages and thus increase profit. If a company falls behind its rivals in this drive for expansion, its rivals will have the resources to drive it from the field.

What Class Is

Because firms are driven to pursue profits, capital accumulation is the name of the game. In talking about "capital," I don't mean physical things like office buildings or robot welding machines. Possessing "capital" means that one has a certain power in society—a type of social power characteristic of the economic structure we've just defined. Capital is the power to go out into markets for "factors of production" and pick up everything you need to run a business—hire managers, experts, and workers; buy or rent equipment and buildings. Although workers produce the goods or services, the firm owns the revenue from the sale of the goods or services.

The capital/labor relationship is a power relationship between groups. It divides the society into classes with antagonistic interests. It's in the interests of workers to work at a reasonable pace and be paid more, but it's in the interests of the firm to pay less and drive a more intense pace. Classes are groups of people who are related by the different roles they play in the production of goods and services. Class power begins in work but spreads throughout the society.

The power of the dominant capital owners—the so-called "one percent"—spreads into electoral politics, the mass media, schooling, and popular culture. The government tends to work in ways that defend and support the capital accumulation game.

The work of directly producing goods and services is what the working class does. Working-class jobs are those where a person has a boss but they aren't anyone's boss. Their job isn't defining or controlling the jobs of

others. And the way the employer organizes the work usually allows the worker little say over the job, or the product. Typically, someone else defines the job and what your responsibilities are. Managers track your work. Although workers create all the market value added to products and services in the economy, they receive back only the wages and benefits employers are willing to give them.

The working class does not simply consist of “blue-collar” workers in factories. As Michael Zweig writes, “The great majority of Americans form the working class. They are skilled and unskilled, in manufacturing and in services, men and women of all races. . . . They drive trucks, write routine computer code, operate machinery, wait tables, sort and deliver the mail, work on assembly lines, stand all day as bank tellers, perform thousands of jobs in every sector of the economy.”²

Classes aren’t just made up of isolated individuals. People live in households and have family connections. The working class includes not only those working—and those who would work if they could find a job—but also their kids, people on disability income, and retired people who spent their work lives doing working-class jobs. This is a majority of the US population.

Capitalists are people who make their living through their ownership of capital assets. Their main income is from ownership of businesses, stocks, bonds, real estate, and other such assets. Many individual capitalists also act as CEOs or entrepreneurs—managing the way the capital is put to use. Some capitalist owners have some technical training or expertise, as in engineering or medicine, but it is their ownership stake that makes them capitalists.

Radical economists usually divide the capital owners into two groups: The wealthy elite who control the big corporations are not in the same league as owners of small businesses (a building contractor, owner of a restaurant franchise or body shop, or a landlord who owns a few apartment buildings).

Working-class people do not normally come into much contact with the one-percenters. The capitalist elite are insulated from workers by layers of professionals and middle-managers who control the day-to-day efforts of the workforce. Small business owners, on the other hand, often do manage workers themselves. According to economist Edward Wolff, the wealthiest 1 percent own 56.3 percent of business assets, 54.2 percent of bonds, and

46.2 percent of stocks.³ The top 1 percent of households has more wealth than the entire bottom 95 percent of the population. To be in that top 1 percent in 1997, you needed to have at least \$2.45 million in net worth. According to economist Emmanuel Saez, the “one percent” average over 39 times more income than the bottom 90 percent.⁴

Even within the elite, ownership of wealth is very concentrated. Among the top 1 percent, 85 percent of their assets are owned by the top one-half of one percent of the population.⁵ In 2017, the three wealthiest people in the United States—Jeff Bezos, Bill Gates, and Warren Buffett—owned as much wealth as the least wealthy half of the population of the country (160 million people).⁶

Since the late '70s, the dominant (or ruling) class have used their political and economic power to their advantage in ways that have gained them a greater share of total American income. For example, by shifting the tax burden onto others. Since 1981, the percentage of corporate income taxes paid has declined by 50 percent.

The capitalist system has an inherent tendency to shovel wealth to those at the top of the social hierarchy. Of the thirty “developed” or core capitalist countries that make up the Organisation for Economic Co-operation and Development (OECD), the United States is the most unequal. The top 10 percent own 79 percent of all personal wealth, whereas the bottom 60 percent of the populace have only 2 percent of personal wealth. But inequality in ownership of wealth is a common feature of all the more developed capitalist (OECD) countries. This is true even of countries that have more extensive social-democratic “welfare states” than the US. For example, in Norway, the bottom 60 percent have 7 percent of wealth and the top 10 percent have 51 percent. In Spain, ownership of dwellings is more widespread than in the US (79 percent of households) and the bottom 60 percent own 19 percent of personal wealth while the top 10 percent own 46 percent. So even in the least unequal OECD countries, the top 10 percent own at least 40 percent of all personal wealth and the bottom 60 percent own less than 20 percent.⁷

The Control Bureaucracy

The capital owners aren't the only bosses. Class domination isn't based solely on ownership of business assets. In both the public and private sectors, there are elaborate hierarchies in which hired employees are responsible for the control of the work. Tiers of middle-managers and

supervisors are hired to track and control our work, and to hire and fire people. Various high-end professionals work closely with management in planning and control. Corporate lawyers defend the firm's legal interests—and help to break unions. Top accountants may help hide tax liabilities.

Companies hire industrial engineers—as management consultants or on staff—to study work methods and to design jobs and workflows. Equipment or software is often designed in ways that enhance control over workers, whether it be the pace of work, the de-skilling of jobs, or by facilitating electronic monitoring.

This is the system's control bureaucracy. The power of this class is based on a relative monopolization of decision-making authority. They call the shots. They also marshal the kinds of expertise particularly important to management decision making and control over the workforce. Members of this class are usually the bosses that working-class people deal with on a day to day basis.

We can call this social group the *bureaucratic control class*. It is only in the last century that this class became a big group in American society, due to the emergence of the large corporation and expansive growth of the government machinery. A lot of the work of this class is guard labor—making sure those below them are on the job and working hard. With management in control of corporations' daily functioning, capitalism has had a tendency to bureaucratic bloat over time. In the early 1900s, for example, people in “management” positions made up 3 percent of the employees, and by 2004, that figure was 15 percent.

The following description of the class structure is brief, but it shows that the capitalist regime is based on class domination. Michael Zweig put it this way: “Class is about the power some people have over the lives of others, and the powerlessness most people experience as a result.”⁸

Because class is based on domination, it creates a tug of war between opposing “sides.” The owners have a managerial regime to make sure employees work hard and use their abilities to make profits for the firm. In this regime, conflicts over pay, stress, control of work, or mistreatment are inevitable. The struggle between classes can come to the fore in a variety of ways, including organizing together to form a union to resist management power or to go on strike. Working-class people can't effectively defend their freedom and collective interests or advance their aspirations without opposing the classes who dominate them.

Professional Employees

The groups that are categorized as “professional” in the United States vary widely in their incomes and economic power, and, I would argue, do not all fall within a single class. Thus far I’ve suggested that we should understand class in contemporary capitalism in terms of two basic structures:

- A relative monopoly over ownership of non-human means of production (or business assets) (the basis of the capitalist class).
- A relative monopoly over decision-making authority and expertise applied in management of businesses and government agencies (the basis of the bureaucratic control class).

The class structure divides the society based on the economic power certain groups have *over* others. I think we can distinguish two layers of professionals based on their position in the structures of class domination I’ve listed above. I will call these groups “upper” and “lower” professionals.

The upper, or high-end, professionals work directly with management in control of enterprises or control of the workforce—or in the government’s role of social control. They have forms of expertise that are important to planning, labor management, and defense of the firm’s legal and financial interests. Because of their link to management of firms, they share in management power. These professionals are part of the system’s control bureaucracy.

As with working-class jobs, however, the autonomy of people in bureaucratic class positions can also be subject to attack by the capitalist elite. In recent years, “managed care” regimes have subjected doctors to higher levels of control; their treatment recommendations can be opposed by insurers who hold the purse-strings. “Business process re-engineering” has often subjected supervisors and middle-managers to greater control and an intensified work pace. Job dissatisfaction and burn-out has become common among middle-managers and high-end professionals in the last two decades.² Although the bureaucratic class participates in control over the working class, they are also a subordinate layer in the capitalist regime.

However, there are also many “professional employees” who are not a part of management and don’t participate, to a significant extent, in controlling other workers or defining their jobs or charting a path for the company. Thus I tend to think of the “lower” professional employees as part of the more-skilled section of the working class. This includes primary and

secondary school teachers, nurses, physical therapists, computer programmers, librarians, technical illustrators, and newspaper reporters.

Differences in skill, formal education, and autonomy in work are forms of inequality that exist *within* the working class. All jobs require some skills. Employers won't hire people if they don't have the abilities needed for the job, which is why the phrase "unskilled labor" is misleading. However, when employers speak of "skilled labor" they are referring to some level of expertise or credentials that requires a lengthy period of training or education.

Lower professional employees share the working-class condition of subordination to management but do not participate in management power over other workers. Nonetheless, they sometimes have anxieties about their class status or "professional image," and can be somewhat conflicted about their social position.

"Middle Class"?

The corporate media often focus on the so-called "middle class" (pundits often debate whether some proposed policy is good or bad for the middle class). Union leaders talk about "rebuilding the middle class" through better-paying (working class!) jobs. But who exactly are the "middle class"?

Often the idea is that you're middle class if you have enough income to lead a so-called "middle-class lifestyle"—own your home and drive a relatively new car. The corporate media reinforce this myth, presenting class in terms of education, income, lifestyle, or one's physical possessions. Defining class in terms of income makes the boundary arbitrary. Why would there be three or four classes rather than twenty?

If your class standing is a matter of your income, education, or home ownership, it can be a temporary circumstance. This fits in with the myth of America as "The Land of Opportunity" where anything is possible for you if you just work hard or get more schooling.

In the media debate over the extent to which members of the working class voted for Donald Trump in the 2016 US presidential election, pundits often assumed that the working class could be identified by their education level—as those adults who lacked a four-year college degree. But this definition is incorrect. There are 17 million small business owners in the United States, 86 percent of whom are white. This is a much whiter group than the working class, and most do not have four-year college degrees.¹⁰

Also, there are millions of supervisors, realtors, insurance agents, and cops who work jobs that do not require college degrees. Those who perform these jobs are part of what I described above as the bureaucratic control class. On the other hand, low-level professional workers such as schoolteachers, registered nurses, and programmers can be regarded as part of the skilled periphery of the working class, and these groups *do* tend to have four-year college degrees.

Thinking of class as related to income or schooling would mean we couldn't explain why there are classes at all. After all, what explains the huge inequality in income? How can we explain that some people have huge incomes and live in mansions, but not mention the fact that they own a lot of business assets or have a lot of authority in the running of some large company? The power differences between classes help us to explain the differences in income. This is why institutional power is a better basis for understanding class than income or what type of car that person drives.

Class struggle is a form of power struggle. We can't understand why class conflict is a persistent feature of capitalist society unless we look at class in terms of power. This clash of class interests is obscured when people in better-paid working-class jobs are described as members of a broad "middle class" that includes middle-managers, corporate lawyers, judges, and others in the system's control bureaucracy.

Both the small business owners and the bureaucratic control class have a level of power in society that *is* in between the "one percenters" and the working class. In that sense, both are "middle classes." Because the bureaucratic control class has only been a large group in capitalist society since the early 1900s, it is sometimes called "the new middle class." But the "classes in between" are a minority in American society.

"Post-Industrial"?

Sometimes people say the United States is now a "post-industrial" economy. "We don't make anything anymore," they say. Throughout the past century there have always been more jobs in services than in "industry." But employment in retail and services, such as health care and restaurants, has become a much larger proportion of total jobs in more recent decades.

For example, jobs in restaurants—meal factories—have been growing more rapidly than employment growth in general. Back in the '50s people spent only about a fourth of their household budget on restaurant meals.

Nowadays this has risen to about 50 percent. In recent years 20 to 25 percent of all new jobs in many areas of the US—from Tulsa to Cleveland to Pittsburgh—have been in sit-down restaurants or fast-food eateries. At present, the average pay in this industry is only \$12.50 an hour.¹¹

Nonetheless, a lot of manufacturing still takes place in the United States. As of 2010, the US contributed about 19 percent of total world manufactured output. This includes industries such as oil refining and chemicals, auto parts and assembly, food processing, and aircraft and medical equipment manufacturing. The core of the domestic “industrial” economy consists of factory output, transporting goods and people, creating structures such as bridges and buildings, and extractive industries such as mining and oil and gas fields. These industries employ about a quarter of the total workforce. The share of jobs in transport, construction, and utilities has not declined in recent decades. A reduction in manufacturing jobs accounts for the declining share of industrial employment.

“Production” of items we buy isn’t really complete until that product is where consumers can get their hands on it. Just as moving parts around in a factory is part of production, so are the long supply chains that move parts and completed goods over the surface of the planet. Capitalism has evolved into a kind of “global factory” with various nodes of production all over. The economic weight of the industrial sector in the economy of the USA has not declined. “The ratio of service output to goods and structures, as the government measures these, has not changed much in almost half a century,” writes Kim Moody.¹²

For decades, manufacturers shifted the location of factories within the US, moving to rural areas or to the south or southwest—to escape unions and pay lower wages. One recent example is the ongoing efforts of General Electric to transfer work from its railroad locomotive plant in Erie, Pennsylvania, to a newer plant in Fort Worth, Texas. Plant shutdowns and work relocations have, at times, had devastating impacts on the communities where the plants are located.¹³

Various types of manufacturing have been moved outside the US—such as garment and shoe making or the manufacture of laptop computers and other consumer electronics. Often this happens when “brand” firms engage “contract manufacturers” in other countries. Garment and consumer electronics industries have evolved into elaborate international networks of

sub-contracting relationships.

Since the '90s, 1–2 million US jobs have been lost due either to firms moving production to other countries or to imports (especially after China joined the World Trade Organization in 2000). The development of manufacturing in countries such as China, Bangladesh, and Brazil is part of the spread of industrialization to other nodes in the world capitalist system. Capitalism is global.

Shutdowns and factory relocations have been one of the main reasons for the rise in the number of men of prime working age (late '20s to early '50s) dropping out of the workforce. Many who had been working middle-income “semi-skilled” jobs simply stopped looking for work, at least for a time. According to one study, this was especially true of “many small former industrial centers in states like Michigan, Indiana and Ohio.”¹⁴ When these workers finally started pulling a paycheck again, they typically took jobs that were low-paying, with few benefits.

Although the moving of factory work to the south or overseas contributed to serious decline of circumstances for many workers in the Rust Belt, the main reason for the decline in manufacturing jobs in the US has been changes in work organization and technology—not offshoring. Capitalist firms continually look for ways to cut their expenses, which means they are looking for ways to cut jobs. The decline in jobs in manufacturing has been going on for a long time. Back in the 1890s, about 48 percent of non-farm employment in the United States was in goods-producing industries. This had shrunk to only 36 percent by 1959, and was down to only 17 percent by 2004.¹⁵

Employers have been able to increase revenue they get per worker hour —“labor productivity”—through investment in new equipment and through speed-up and changes in work organization. (More on this subject in chapter three.) For example, about as much steel is made in the US now as in the 1970s—mainly at about 70 mini-mills that make steel from scrap iron. But making a ton of steel now takes less than one-third of the worker-hours it used to. Thus, far fewer workers are employed in the manufacture of steel.

Henry Ford’s “progressive production” system, introduced in his auto factories during World War I, used physical equipment (such as conveyor belts) to control the pace of work. The contemporary form of this is use of information technology for forms of surveillance and monitoring of

workers. In warehouses, for example, monitoring systems are used to keep workers constantly moving to the next task. An intensified pace of work enables companies to get more work done without hiring more workers.

The number of factory jobs in the US has been relatively stable over the last several decades. For example, in 1970 there were 17.3 million workers employed in manufacturing, and in 2000 there were 17.2 million workers employed in factories. But consider that the total number of workers employed in the USA doubled between 1970 and 2000. Moreover, there was a vast increase in factory output between 1970 and 2000. This means that productivity per worker hour went way up. Despite the decline in the proportion of people employed in factory jobs, manufacturing accounts for 35 percent of total value of economic output in the US.

For the employers, increasing labor productivity is a key strategy for pursuing profit. Although conservative pundits often say that wages and benefits are compensation for our productivity, in fact wages and benefits do not automatically go up if labor productivity rises. From 1973 to 1998, the average real (i.e., adjusted for inflation) hourly wage for all non-management employees in the US (about 80 percent of the workforce) dropped from \$14.46 (in 1998 dollars) to \$12.78.¹⁶ That's a decline of 11.6 percent. Annual earnings for young male high school grads with no college dropped 29 percent from 1975 to 2005.¹⁷ Today the average real wage rate is still lower than it was in 1973. Thus, in 1972, weekly earnings for “production and non-supervisory workers” was \$315.44 compared to \$312.18 in 2018.¹⁸

However, between 1968 and 2000, productivity in the American economy increased by 74.2 percent.¹⁹ Output per worker hour has doubled since 1983 and is *four times* what it was in the 1950s. If fewer worker hours are needed to produce a given amount of business revenue, and if wages and benefits don't go up, the employers will scarf up the gains as profit. The employers reap the productivity gains from work intensification and re-organization, which drives rising economic inequality.

The extent to which workers gain a benefit from their increased “labor productivity” depends on the social power they have developed—through collective resistance to the employers, building unions, and engaging in strikes. As both unions and strikes have faded since the late '70s, workers in the US have been less able to gain from their increased productivity, and often must labor under a harsher work regime.

Two Forms of Liberalism

From World War II to the 1960s, as productivity grew from capitalist investment in industry, workers were able to force rising real wages. In the mid-50s about one-third of the workforce belonged to unions, and strikes were fairly common. The rising wages of the post-World War II boom years was not the “normal” way capitalism works but was the product of a temporary, contingent “deal” between labor and capital that had been forged through struggle.

A poll in 1932 revealed that a quarter of the population in the US thought a revolution might be necessary. Between 1933 and 1937, a process of radicalization was underway in the American working class as there were widespread strikes, city-wide general strikes, plant occupations, and hundreds of thousands of workers forming new unions. Many employers were forced to negotiate with their workforce and accept on-going worker organization.

By 1936, the militant working-class mood forced the Democrats to “move left.” At the national level the initial framework of the stingy American “welfare state” was set in place: Congress passed the Wagner Act (legalizing the right to “concerted action” in workplaces and banning boss-dominated labor organizations), the Social Security Act, Aid to Families with Dependent Children (support for single parents and their children), and the Fair Labor Standards Act (which made the eight-hour workday official, set legal minimum wages for the first time, and mandated state unemployment benefits).

The “deal” between labor and capital in the wake of the working-class insurgency of the 1930s and ’40s created institutions that tended to support working-class bargaining power—such as rising legal minimum wages, nation-wide pattern bargaining through the unions, and so on. This arrangement enabled workers to push up wages as their labor productivity rose. And sometimes direct action on the job was successful in pushing wages and benefits ahead of growth in labor productivity, which would have caused profits to drop. In other words, workers were able to capture a bigger share of the “pie” produced by their labor. The gains in that era mainly benefited the white male workers who were organized in these unions at the time.

Additional reforms were won in the ’60s and early ’70s through another period of mass social protest—from the civil rights rebellion in the south to

ghetto uprisings in northern cities, movements for women's liberation and gay liberation, and widespread wildcat strikes, such as the first-ever national strike on the postal system in 1970. These gains included programs such as Head Start, Medicare, the Occupational Safety and Health Act, laws against race and sex discrimination, and the clean water and air laws. These various laws had an impact on corporate costs.

By the 1960s American corporations also began to face a greater challenge in the world market. At the end of World War II, about half of world manufacturing capacity was in the USA. For years after the war, the big American companies were riding high, raking in huge profits. By the '60s and '70s, however, manufacturing capacities that had been destroyed by war in Europe and Japan had been rebuilt, using the latest technologies. Two of Japan's former colonies, Taiwan and South Korea, had also developed formidable export industries. For these reasons, American corporations' profit rate began to take a serious nosedive at the end of the '60s. Many in the capitalist class were looking for a way to turn this around.

The capitalist elite have a number of organizations in service of their class, both on the national and local levels—such as the Business Roundtable and the U.S. Chamber of Commerce. They use these organizations for working out a common policy and showing a united front. In 1971, the U.S. Chamber of Commerce produced a memo on capitalist class strategy called “Attack on the Free Enterprise System.” The memo was written by Lewis Powell, a corporate attorney who would later be named to the Supreme Court. The memo declared that the problems faced by the capitalist elite required a well-funded, long-range campaign to change the way Americans think about economics.²⁰

The capitalist elite's new direction would draw on ideas from an older form of liberal ideology; Milton Friedman's 1962 book *Capitalism and Freedom* was a sustained argument for an extreme form of unregulated capitalism. In that book, Friedman called his political viewpoint *liberalism*. Friedman was referring back to the nineteenth-century form of liberalism.

The “liberal” label first came to prominence in the US in the 1870s through a faction of the Republican Party. This brand of liberalism was an ideology of dog-eat-dog competition; “free trade”; privatization of public assets; low business taxation; and opposition to social, labor, or government constraints on the pursuit of business profit.

This “liberalism” was pushed by a layer of publicists, professionals, and

businessmen who had an interest in ideology. They got their ideas printed in various media organs that are read by professionals and business people, such as *The Nation* and the *Chicago Tribune*. They had meetings through organizations such as the American Social Science Association (founded in 1869).

A well-known proponent of this outlook in the late 1800s was sociologist William Graham Sumner who gained a wide audience through his popular essays. Sumner opposed any form of social support to the people he deemed “weak” or “inferior”—the poor, working people, Black people. He assumed that competitive capitalism was a “natural” order in which the “struggle for existence” worked itself out. Those who rose to the top were shown to be “superior” by the fact that they did so. Being poor demonstrated that one was “inferior.” Under competitive capitalism, in this Social Darwinist view, people get what they “deserve.” We might call this *right-wing liberalism*. As a doctrine that opposes social, political, or labor constraints on business profit-seeking, it is a natural ideology for the capitalist class.

Lewis Powell’s memo was an opening salvo in a movement that emerged among the capitalist elite in the 1970s to promote a “neo” version of this older form of liberalism. By the 1980s, the capitalist elite’s “neo-liberal” offensive was well underway. This included highly aggressive employer opposition to unions, moves for lower taxes on business and the wealthy, contracting out public services to private firms (private prisons, Charter schools, private bus transit operators), attacking all sorts of regulations on business conduct, and cuts to the social wage.

The “neo-liberal” label highlights the way *liberalism* shifted its meaning in the United States during the twentieth century. From the Progressive Era in the early 1900s to the working-class insurgency of the ’30s and on into the ’60s, a different form of “liberalism” emerged—*left-wing liberalism*, as we can call it. This supported restrictions on the more predatory tendencies of capitalism and supported various social programs to benefit the general population—from Social Security to Medicare to unemployment benefits.

The revolutionary challenge to the system between World War I and the 1940s meant sections of the elite were concerned about maintaining the legitimacy of the capitalist regime in the eyes of the masses. Franklin Roosevelt said that the New Deal programs were an attempt to “save capitalism.” Both right-wing and left-wing liberalism share a pro-capitalist

orientation. Both support the profits system, the power of the capitalist and bureaucratic classes, the American government apparatus, and the use of American military power to defend American corporate interests in the world at large.

Precarious Conditions

Under the capitalist elite's offensive since the 1980s, things have become more precarious for the working class. There have been various cuts to government support of people who are out of work, which puts people under pressure to accept whatever job they can find.

For example, in the 1950s and '60s about half of the jobless in the United States received unemployment insurance benefits. Nowadays, only about a third of those out of work get unemployment checks.²¹ In many states you have to work a certain number of hours or earn a certain amount of money in a particular period of time to qualify. As part-time and temporary jobs have become more common and wage rates have stagnated or fallen, fewer people qualify for unemployment benefits.

Some writers have suggested that a huge growth in part-time and temp work in the “gig economy” has created a layer of people—called “the precariat”—who move from job to job and are disconnected from any particular workplace. This view is associated with economist Guy Standing who views this group as separate from the working class. “If not completely locked out of the economy, [they] must increasingly compete for temporary employment at low wages—to the point that they can't pay off student loans or . . . save for retirement, or make plans for the future.”²² People who are moving from job to job have no long-term connection to any workplace, and it's said that this kills the working-class strategy of building social power through the creation of unions.

The various forms of employment that make up the “gig” economy include working for temp agencies, working as an employee of firms that do work on contract, “independent contractors” without any employees of their own, forms of “on-call” workers such as people waiting for their latest driving gig for Uber. The Bureau of Labor Statistics (BLS) has done studies of so-called “contingent” work over time. Their studies show there has, in fact, been *no* trend towards increasing contingent work of this sort. The latest BLS survey shows a decline in contingent work since 2005. According to Kim Moody's analysis, about 11 percent of workers make their living from the “gig” economy.²³

One thing that limits employers hiring from temp agencies is the fact that the salaries and profits of the temp agency may add as much as 40 percent over the employee pay. Because wage rates right now are quite low in the US, many firms don't see any reason to pay this premium. But there are exceptions. There are some manufacturers that do make extensive use of people from temp agencies. An example is the huge BMW auto factory in Spartanburg, South Carolina. This factory employs ten thousand workers and is BMW's largest plant—exporting 70 percent of its cars outside the US. About half the workers at this plant are hired from an outside temp agency, and it is likely that BMW is using this large temp workforce as a divide-and-conquer barrier to worker union organization.

Advocates of the idea of a growing “gig” economy seem to confuse temp work with part-time jobs. There hasn't been a major increase in the use of temps by employers in the US but there has been growth in part-time jobs—in areas such as retail, restaurants, and health care. Part-time work has grown from 13.5 percent of jobs in 1968 to 20 percent today. But many part-time workers stay with the same employer for years, and do not get a high enough wage and enough hours to make an adequate living.

Since the '70s a much higher proportion of jobs available to working-class people are low-paying. More than three-quarters of American workers say they live paycheck to paycheck. If their job suddenly disappears, they may be unable to pay the rent. They may end up living in their car.

The numbers of the working poor have grown. A study of poverty, sponsored by MIT and Harvard, tracked people over a ten-year period. The study concluded that 40 percent of the population—that is, a majority of the working-class population—experienced poverty in at least one year in ten.²⁴

Part of the capitalist attack on the working class since the '70s is the decline in the minimum wage. The real value of the federal minimum wage fell 35 percent from 1968 to 2000. Since then there has been growing political pressure to raise the minimum wage—like the “Fight for \$15 an hour and a union” campaign funded by SEIU. These protests have led to higher local minimums in many areas.

Union membership has declined to about 10 percent (6.2 percent in the private sector)—about where it was in 1930. This reduces the organized strength of the working class in resisting the employers, and it means that 90 percent of the American workforce is subject to the scheme of “at will”

employment. “Employment at will” was codified in a U.S. Supreme Court decision in 1915. This doctrine says that you can be fired with no advance notice and “for any reason or no reason at all.” Later on laws were passed that place some limits on the doctrine of “at will” employment. For example, the Wagner Act makes it illegal to fire someone for union organizing and other forms of “concerted activity.” But getting these laws enforced is not a sure thing.

Thus we can say that the situation for the working class has returned to something akin to the more precarious conditions of life that prevailed during the decades between the late 1800s and the 1920s—despite new aspects to the latest version of de-regulated capitalism, such as worsening ecological deterioration and greater global connectivity. The Roaring Twenties had a number of similarities to the economic situation of recent decades. Between 1920 and 1932, union membership was cut in half. The ideology of unregulated laissez faire capitalism reigned supreme. Corporations employed “efficiency experts” to intensify the pace of work. Wages were stagnant while profits soared. By 1928, inequality had risen to the kind of extremes we are seeing today.

The revival of the older “free market” liberal de-regulation politics since the ’70s makes clear the temporary, contingent nature of the welfare state in the period after World War II. As long as the capitalist regime remains, any gains won through electoral politics or through pressure of unions and working-class social movements will be vulnerable to counter-attack.

Freedom?

Are workers free under capitalism? Pundits tell us that we have great freedom in the economic realm because decisions are made through the “free market.” We seek jobs from employers in the labor market. Pundits who defend capitalism will say that we are free because we can choose to accept or decline a job offer. If we’re discontented in a particular job, we are free to quit and seek a job somewhere else.

But consider the situation of someone I will call “Ana.” She’s a single mother with two children. She’s broke and behind on her rent. She’s about to be tossed into the street by her landlord. She finally gets an offer for a minimum wage job as a housekeeper at a motel. The job provides no health insurance for her children, so she hesitates. The manager tells her, “Look, there are lots of people out there who’d take this job. Take it or leave it.” So Ana accepts the job. If you ask her, she’ll say “I had no choice.” If we’re

forced to work for employers, to obey their orders, doesn't this trample on our freedom?

Advocates of “free market” capitalism typically define *freedom* negatively, as the absence of coercion or restraint. This is *negative liberty*. Negative liberty is central to the liberal concept of freedom. “The fundamental threat to freedom is the power to coerce,” says right-wing economist Milton Friedman.²⁵ On this view of freedom, markets are free when buyer and seller, or parties to a contract, make an informed decision that isn't *coerced*.

What is coercion? Suppose you are walking down a lonely street at night and suddenly someone jumps out with a pistol pointed at your chest. “Your money or your life,” the assailant says. You might say you were “forced” to hand over your wallet. How does this differ from Ana's job offer? Ana was better off after she got the job offer. She could avoid being tossed out on the street. She'd prefer having the job than not having it. But the moment the robber pointed the gun and made their threat, you were worse off.

Coercion typically involves either an overt or implicit threat. The threat expresses an intention to do harm unless a person submits to a demand. But a job offer isn't a threat. Thus advocates for capitalism will argue that the employment relation isn't inherently based on coercion.

Nonetheless, the two situations—Ana's job offer and your mugging—are similar in the following way: In each case, not going along would bring a high risk of dire consequences. Not going along was not a viable or real option. This is why one is *forced* to go along in each case. Ana wasn't coerced, but she was forced to take the job nonetheless. The employer takes advantage of the worker's situation in making an offer where the worker must accept subordination to management power. This is an example of what philosopher Gertrude Ezorsky calls “proposal forcing.”²⁶

Even if a person has some savings and is not forced to take the first job that comes along, workers are typically in a situation where they are forced to seek *some* job from an employer. That's how we get financial income for our consumption. Many workers live paycheck to paycheck and have little to no savings, so many don't have the luxury of waiting for a better offer to come along. Workers typically take the first job they are offered.

Really existing capitalism has always had a sizable number of people who are out of work. This means there are more people seeking jobs than

jobs available. If you don't accept the terms of employment a company offers, it's likely there will be other candidates who will accept the job. Capitalism has a natural tendency to maintain a pool of unemployed, though the size of this pool varies over time. If hiring grew to the point where there was almost full employment, the tight labor market would lead to wages being bid up. Rapidly rising wages would cut into company profits. This would lead to a downturn in investment, and companies would start cutting back. And thus the pool of unemployed would grow again.

Being forced to take jobs with employers and submit to their management regime is a systemic form of unfreedom for workers in capitalism. We're forced to do this because we don't have our own means of production that would enable us to generate our own livelihood. If Ana doesn't take the job, she is faced with the prospect of she and her children being evicted. In other words, she is forced to accept the job offer because she faces a high probability of dire consequences if she doesn't take it. She is in this situation because she has no way to make a living except by taking jobs with employers.

Because we can be unfree even in situations where we're not coerced or physically restrained, absence of coercion is not sufficient for freedom. "Negative liberty" doesn't capture what freedom is.

"Management Prerogative"

Being forced to seek jobs with employers is only part of the systemic unfreedom for workers in capitalism. This situation also means that we are forced to work under the decision-making regime the employers have set up to control the work we do. The right to establish a managerial bureaucracy that governs our work is considered an inherent part of capitalist ownership of the firm.

Firms hire managers and various experts to help them devise their business plans. They decide on the products we build or the services we provide to customers. The owners and managers decide where the workplaces are located. They select which businesses to contract with for parts or to contract out services. They may buy up other companies or sell off whole divisions. They decide whether to shutdown facilities and move to other areas. They decide what technologies to use, what chemicals we are exposed to. These decisions may have a severe impact on communities—as when facilities are shut down and people laid off. But capitalist ownership

gives them the legal right to make these decisions on their own.

The employer hires us to make use of our skills and energies, but the role of management is to ensure that we exercise our abilities in ways that achieve the goals set by the employer. Companies hire “industrial engineering” experts to help them define the jobs we do and how the work flow is organized. Engineers work with management to design equipment and software, and often these are designed with an eye to controlling the pace of our work.

Management is a kind of private government that creates rules and regulations that govern our activity during work. Management asserts that it is their “prerogative” to make the decisions unilaterally. This “government” of the capitalist workplace is an autocracy. You don’t elect the bosses, there is no rule of “innocent until proven guilty” if management accuses you of something. There is no right to free speech. Management autocracy tramples your freedom to determine how your abilities will be put to use.

This despotic management regime is in itself another form of unfreedom. We are deprived of a right to control decisions that directly affect us at work, decisions that govern our own activities on the job. This is the condition that Karl Marx called “alienated labor,” a now obsolete use of “to alienate,” meaning “to give up ownership” of something. In this case the worker gives up the freedom to control how her abilities are put to use.

Our Way or the Highway

Although a worker is not typically coerced when she accepts a job offer, a person is subject to coercive authority once she has the job. If she questions anything, it could be called “insubordination.” She can be threatened with being fired or her hours cut or a move to some less desirable job.

According to Milton Friedman, “the employee is protected from coercion by the employer because of other employers for whom he can work.” Conservatives call this the freedom of “exit.” As I’ve argued above, however, coercion isn’t the only form of worker unfreedom within the capitalist regime. A worker who quits a job still faces the situation of being forced to seek work from employers and submit to their managerial regime.

Moreover, it’s not so easy to quickly find another job. The *degree* of management’s coercive power does depend on the situation a person would face if suddenly unemployed. Does a person have any savings? Do they have

equity in a house they could borrow against? Are they new to the area or are they a person with an extensive network of personal contacts? Can they qualify for unemployment benefits or some other government assistance program such as disability? Would they face some form of discrimination?

Even if a person does have savings, a network of contacts, and some scarce skill or credential, being fired would still have negative consequences. Their life would be disrupted. They will have to start living off those savings that were intended for retirement or their next vacation. The threat of being fired is still a basis of coercive power even in the case of those who have more resources.

Be Your Own Boss?

I've argued that workers are forced to take jobs from employers and submit to control by the management regime. Defenders of capitalism often reply to this argument by saying that working people could become their own boss.

It's true that we are not *legally* prohibited from forming a business of our own, and working people do have the human *potential* to control their own work activity. When we say that a working-class person is "forced" to seek work from an employer and accept subordination to the boss regime, it is due to the *real, immediate situation* that a person faces. If the consequences of not finding a job are dire—being thrown out onto the street, having no way to pay for necessities like medicines, and so on—then, as we say, "you have no choice" but to accept a job. The possibility that ten years down the road you *might* be able to form a business through scrimping and saving doesn't refute this.

Self-employment or setting up one's own business is not a real option for most people who live on wage income. More than three-quarters of working people live paycheck to paycheck.²⁷ Their incomes barely cover expenses. How would they acquire the funds to set up their own businesses? Why would banks give credit to people with no track record at business success?

Since the emergence of capitalism in the nineteenth century, the proportion of people running small businesses in the United States has continued to shrink. As the corporations have grown over the decades and come to dominate market after market, the amount of capital needed to enter and survive in many areas of business is so large as to be restrictive. The markets where a small under-funded business can survive allow only a

limited number of such businesses. Neighborhoods can only support so many nail parlors, convenience stores, and auto body shops. The fact that a few people do form their own businesses from time to time does not make this a real option open to the working class in general.

Moreover, if a person forms their own business and it grows, they can hire others to work under their control. They can do this because most people *are* forced to seek jobs from employers to earn a living. When workers become bosses or owners, it leaves intact the system of autocracy in the workplace. Most people are still forced to seek jobs defined and controlled by others. This is why the possibility of some people making that move to owning a business or being a manager does not show that workers are free within the capitalist economy.

The “you can form your own business” theme is part of a broader argument about America as the Land of Opportunity. The assumption is that the power and wealth of the dominating classes must be legitimate if people in lower classes have an “opportunity” to rise in the economic hierarchy.

This idea of the Land of Opportunity is a common theme in American life—in the schools, the mainstream media, in the speeches of politicians. The idea is that talent and hard work is the only limit to the wealth and influence that individuals can achieve.

As journalist Alfred Lubrano comments: “In America, we sing a hymn of equality, one that says everyone has the same chances to get ahead. But that’s not true and never has been. Who your parents are has as much or more to do with where you’ll end up in life than any other single factor, social scientists say. . . . Some people are born to better circumstances and reap the benefits.”²⁸

The Land of Opportunity hymn has a flip side. The refrain on the other side of the song sheet says: If you are stuck in a dead end job, can’t find a job, or have a hard time paying the bills, it’s your own fault. You should have saved more or stayed in school longer. If your paycheck barely pays the bills and doesn’t allow savings, well, tough luck. As Joe Bageant put it: “The American bootstrap myth is merely another strap that makes the working poor conclude they must in some way be inferior, given that they cannot seem to apply that myth to their own lives. Hell, Pootie, if immigrants can put together successful businesses of their own, why can’t you keep up with your truck payment?”²⁹

A social arrangement that subordinates the majority and creates vast inequality in income and power needs to have a story line that can provide it with some semblance of legitimacy. The Equal Opportunity myth is part of that. The basic idea is that “opportunity” is a kind of lottery ticket. If it’s a “fair” lottery and people have “an equal shot,” then it doesn’t matter if some end up with massive power and wealth and others are forced to serve them and “do as you’re told.” This is a poverty-stricken concept of economic justice. And the promise of “an equal shot” always ends up being a mirage for the working class.

Besides, there is a more fundamental problem with the “upward mobility” or “be your own boss” argument. Why would mobility up the class ladder show the legitimacy of the capitalist class regime? If class oppression and exploitation are forms of injustice, they remain forms of injustice even if some people move up and down the class ladder.

It’s true that class boundaries are somewhat porous. Some people do rise from the working class to become owners of businesses, executives, or become doctors, lawyers, or university professors. From an elite point of view, it is an advantage if ambitious and talented members of the working class can be recruited to help run the system. If some people move up, then some people must move down in the social hierarchy, and that happens too.

However, the great majority of adults end up in the same class as their parents. The main factor in which class people will end up in is luck. And the biggest part of that luck is who your parents are—their wealth and educational level, and the learning environment and social connections they provide for their children.

The first big stumbling block for any claim of equality of opportunity is the way power is passed on through inheritance of assets. Take, for example, the *Forbes* magazine list of the four hundred wealthiest Americans. In the 2012, United for a Fair Economy did an update of their study of the *Forbes* 400. To qualify for membership in this exclusive club, a person needed to be worth at least a billion dollars. Their study found that 21.25 percent of the four hundred plutocrats—people like David Rockefeller—simply inherited enough money to put them on the list. Another 7 percent inherited a large, prosperous company or wealth of at least \$50 million. Another 33.5 percent inherited a company worth at least \$1 million or got start-up capital from their family.

Only about 35 percent of the people on the Forbes list started out in

modest circumstances, without inherited wealth.³⁰ Pundits and politicians especially emphasize the “rags to riches” stories even though few members of the plutocracy started out that way.

Even if a business owner started out in the working class, once they own a business they can participate in the system of domination and exploitation of workers. The fact that a few working-class people are able to rise into the capitalist class does not show that class domination and exploitation are not forms of injustice.

Positive Liberty

We saw that negative liberty is a poor idea of what freedom is. *Positive liberty* adds a richer conception. We need the concept of positive liberty to understand why the forms of unfreedom listed above are violations of freedom. Positive liberty has two parts:

- *Self-management* To be self-managing is to have control over the decisions that affect you to the extent you are affected by them.
- Equal access to the means to develop your potential and sustain your health and abilities.

Self-management is both a natural capacity and need of humans. We have the capacity to develop goals for ourselves. We can foresee possible courses of action and develop plans for realizing our aims. We can learn and develop skills to help us to realize our aims. We also develop and sustain our capacities by putting them to use in making decisions and controlling our own activity.

The two aspects of positive liberty are tied together. That’s because we need our health and the development of our abilities to effectively participate in self-management of our work or public affairs. Because these two conditions are rooted in human nature—our natural potential—they provide us with a naturalistic conception of the conditions for justice. This form of naturalistic ethics assumes these are universal human values, and thus requires the promotion of these conditions for everyone.

I say that self-management is about control over decisions “to the extent you are affected by them.” What I mean is that individuals or groups in society may be the people *primarily* affected by certain areas of decision making—more so than others. For example, decisions that govern their own activities.

Some decisions affect mainly you. These are decisions about how you conduct your own life as a distinct person. Being self-managing means you

get to control these decisions yourself. The boundaries of personal autonomy can be controversial and sometimes tricky to pin down. But we don't suppose that there is no sphere of decision making about your own life where you should be in charge.

Decisions are *social* if they govern the joint activities of a group of people or have a shared effect on a group of people who are more affected by those decisions than others. For some areas of decision making the social group might be everyone. This would apply to issues that affect everyone in society roughly equally. For example if a coal-fired power plant is damaging the lungs of people in the region nearby, the decision to burn coal to produce electricity affects them all. Most decisions, though, tend to affect some people much more than others.

Many decisions about the running of workplaces are inherently social: Decisions about work flows, the technologies being used, how we coordinate the various aspects of the work, when joint work starts and ends, or where the workplace is located. Any economic operation that produces a particular product or service is based on the cooperative, coordinated labor of the people who do the work.

Moreover, people spend a large part of their lives in work. And conditions at work have a direct impact on a person's health and opportunities for development of skills and other aspects of a person's prospects in life. Workers also have the capacity or human potential for controlling their own work and collectively self-managing workplaces.

Oppression

Oppression and liberty are opposites. Thus, the concept of positive liberty also enables us to define what *oppression* is. We can say that a social group is *oppressed* if its positive liberty is seriously trampled or denied in a systemic way. This can take the form of social exclusion, where a group is denied access to jobs and housing, or is provided with inferior education for their children. If a group are put at a disadvantage in some systemic way—such as race discrimination—this would be a way their positive freedom is restricted. If a group are denied the means to develop and maintain their capacities—such as development of skills or resources to maintain one's health—this is also a trampling of positive liberty.

Domination is itself a key aspect of oppression. Socialist-feminist Iris Young defined domination as “institutional conditions which inhibit or prevent people from participating in determining their actions or the

conditions of their actions.” The suppression or denial of worker self-management over the labor process is a form of domination. When domination is a systemic feature of society, it is a form of oppression—a systemic feature of society that (as Iris Young put it) “limits freedoms, choices, and abilities” of the oppressed group.

My two forms of positive liberty are similar to two conditions of social justice laid out by Iris Young in *Justice and the Politics of Difference*. Young’s study was an attempt to encapsulate the way *oppression* was understood in the “new social movements” of the 1960s–70s era. As with Young, I understand oppression as the systemic denial or trampling of these conditions of positive liberty.³¹

Exploitation

In the argument up to now, I’ve identified three elements of *class* oppression within capitalism:

- Being forced to work for bosses.
- Management coercion.
- Denial of control over decisions that directly affect you and govern your own activities in the workplace.

The three forms of unfreedom listed above are central to the class cage that workers are trapped in. This is the basis of labor exploitation. The ordinary meaning of the verb “to exploit” is “to take unfair advantage of” someone due to some vulnerability of the person being exploited—such as someone having power over them. All working-class people share the vulnerability to exploitation because of the power of the people who own and manage the workplaces. If a worker and would-be employer were actually equals in power, a worker could demand that the owner shares an equal liability to labor and the worker an equal claim on the profits.

Labor exploitation occurs when some are able to gain illegitimate benefits from the work efforts of people through a social relationship of domination over them. The capitalist owning class can scarf up profits produced through our labor because we’re forced to work for them and submit to their management regime.

Owners of firms receive capital income by virtue of ownership. But ownership in itself is not a productive activity; owning a company’s stock doesn’t contribute to producing the products. Some owners do work in the form of management, but a person doesn’t have to own the firm in order to be hired as a manager. If they no longer are active in management at the

firm, they can still receive their capital income (dividends, capital gains from sale of stock, etc.) when they retire to a mansion in the south of France and spend their time playing golf.

Thus labor exploitation is based on class oppression. Capitalist firms are able to pump profit out of our labor only because their system is founded on systemic denial of positive liberty to workers. This makes their private appropriation of profit illegitimate. When productivity grows and compensation does not, the firm's growing profit illustrates a rising rate of exploitation. Or if a firm gains by pushing more costs onto workers through exposures to unsafe conditions, toxic chemicals, or a speed up, it's another way of increasing the rate of exploitation. The total flow of revenue to distribution of profits, depreciation, taxes, new investment, paying for managerial control of the workforce, plus the uncompensated human costs to workers (such as damage to their health) has to be set against the actual compensation to workers—wages and benefits—to determine the rate of exploitation.

The structures of class domination and exploitation drain any moral legitimacy from the capitalist economic arrangement. Because domination and exploitation are basic forms of injustice, working people have the moral right to resist and to develop a social movement to liberate themselves from the capitalist cage. An essential part of such a movement would be the struggle to gain control over the work process through collective worker management of the industries. If workers don't control the workplaces some other class will—and workers will continue to be a dominated, exploited class.

The emphasis on struggles over worker control and the aim of collective self-management of the industries has always been a central element in the politics of libertarian socialists. A politics that places strong emphasis on liberty is appropriately called *libertarian*. And self-management is a central part of the concept of positive liberty.

This can lead to confusion because the American advocates of right-wing liberalism of the Milton Friedman variety decided back in the 1960s to start using the label *libertarian* to refer to their politics. One of the advocates for this shift was far-right “libertarian” publicist Murray Rothbard. In *The Betrayal of the American Right*, Rothbard notes: “One gratifying aspect of our rise to some prominence is that, for the first time in my memory, we, ‘our side,’ had captured a crucial word from the enemy . . .

‘Libertarians’ . . . had long been simply a polite word for anti-private property left-wing anarchists, either of the communist or syndicalist variety. But now we had taken it over.”³²

The right-wing “libertarians” claim to be advocates of liberty but have a narrow, reductionist conception of liberty that is merely the absence of coercion or physical restraint. Since no one puts a gun to a worker’s head to take a job, right-wing liberals see the relationship between employers and workers—or between landlords and tenants—as based on pure liberty. They have no objection to the actual despotism of the capitalist workplace.

Class and Mindset

I’ve described class thus far as an objective structure—a scheme of oppression and exploitation rooted in the production of goods and services. But class has a subjective side. Class subjectivity is about the way people currently understand their class situation, and how they are disposed to deal with this situation. How working-class people view their situation varies for a variety of reasons—for example, some people are more subject to certain kinds of constraints on their freedom, such as race or gender discrimination. Differences in skill or education can also affect the leverage people have in the labor market.

The understanding of one’s class situation also varies over time because it can be affected by major events, participation in activities such as strikes, or emergence of new social movements. A person may feel that “you can’t fight city hall”; being subject to the supervisors at work and landlords at home, she may feel powerless to have any effect on her circumstances, and the power of managers in social production encourages her to view things this way.

Capitalist work processes tend to generate in the different classes different skills and outlooks that “fit” their class position. We’re denied freedom at work, and the firms make profits by selling consumer goods to isolated individuals. So, we’re encouraged to think of freedom as exercise of “choice” as a consumer in the supermarket or the automotive showroom.

The corporate media have no interest in promoting knowledge about alternative ways of organizing production, such as workers using democracy to collectively manage workplaces, so the corporate media and the schools don’t talk about this. We’re encouraged to go along with the system, to fit in. At the same time, though, the oppressive control, the injuries to our basic self-respect, and conflict of interests with the dominating classes can

also encourage resistance. So this means that working people have conflicting or “contradictory” influences on how they view their class situation.

The British writer R. H. Tawney once described capitalist management as “autocracy checked by insurgency.” The economic and legal structures of capitalism create a form of workplace despotism, but workers can develop forms of *social power*—power to counter the employers—through collective action and organization. If, for example, a worker participates in the building up of a union where she works, and this successfully forces management to make concessions to what the workers want, she may then acquire a new sense of having at least some power to shape what happens to her.

Because she is involved in a struggle with management herself, she may seek out allies who can support the struggle of her and her co-workers. Listening to the concerns of other people engaged in other struggles in work or in the community may help her to acquire a broader understanding of the various problems faced by working-class people.

Thus a person’s current mindset and attitude about their class situation—their “class consciousness” (as radicals call it)—can change through struggles, collective actions, organization, and developing alliances with others. When working-class social power is growing, “consciousness” of one’s class situation can change, as well as how one understands the potential for changing society. If there is a period when working-class people are engaging in major struggles—such as strikes, blockades of buildings, mass marches—and winning gains, then the idea of changing things seems possible. This encourages people to be more optimistic about the chances of changing society in ways that will benefit them. The ambitious agendas for social change advocated by radicals begin to seem more within reach.

Thus the mindset of working people is affected by the development of working-class social power. Since the power of working people depends upon the strength of numbers, this means that power depends on the development of solidarity. Solidarity implies support in a situation of struggle against the bosses or other authorities who are being fought. The working class is very diverse—in race, in gender, whether immigrant or native-born, gay or straight, as well as in occupation and pay levels. Building solidarity among a large and diverse group of people requires

creating support across these differences.

Solidarity has two dimensions. First, there is getting people to recognize shared concerns and a willingness to support a common struggle. Second, the grievances or “injuries” of particular groups of people may give rise to struggles around those concerns. Getting others to support them is another aspect of solidarity. This is why solidarity is often expressed through the slogan, “An Injury to One is an Injury to All.” For example, if a supervisor is racist toward a Black worker and that person’s non-Black co-workers join in a protest, such as a work stoppage, to get that supervisor fired, that is solidarity against “injuries” experienced by a particular sub-group of workers. In that case, all the workers in the department may understand the danger of abusive authority and this helps to build this solidarity. The struggle is both a class struggle and an anti-racist struggle at the same time.

Another example: When I was working as part of the production staff of a weekly newspaper, the owners were going to fire a gay Asian immigrant production artist because he was HIV positive. They were worried about possible impact to their health insurance costs. The production workers stripped the ad for a replacement artist from the paper. This action forced the owners to agree that this worker would be retained.

There are various barriers to solidarity. People may not understand or appreciate the situation of others. Moreover, capitalism throws people into competition. Firms compete with each other but workers also compete when they are seeking jobs. This can encourage forms of distrust or prejudice between different sub-groups of the working class.

In the United States, there is a long history of these sub-groups being subjected to forms of discrimination or exclusion, which limit their positive freedom—restrictions that reduce their ability to live their lives in the way they would choose or that diminish the resources available to them. Race and gender and other forms of discrimination are practices that reduce or trample positive freedom. This means that each satisfies my definition of oppression. Part of the diversity of the working class is that forms of oppression based on race and gender, for example, combine with class in the lives of particular sub-groups of the working class. To the extent that capitalism sustains and builds on these forms of oppression and inequality, this is another part of the case against capitalism.

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Chapter Two: Racial Inequality

American society was changed in various ways by the social movements of the 1960s, and the Black freedom movement of that era was central to those changes. The beginnings of the Black civil rights movement can be traced back to organizing by radicals and Black organizers in the 1930s and '40s. During the late 1930s to early '50s there were various local “fair employment” or “anti-discrimination” committees, and some of these were supported by sections of the labor movement.

During the vast expansion in defense spending in the early '40s, long-time Black labor socialist A. Philip Randolph and other Black organizers proposed a March on Washington to pressure the New Deal to de-segregate the army and open up more job opportunities for Black workers at the companies doing defense work. President Roosevelt got them to call off the proposed march when he agreed to ban racial discrimination for companies doing government contracts. Eventually Harry Truman would de-segregate the military in 1948.

By the 1960s the Black freedom movement was joined by—and helped to inspire—a variety of other social movements, including women's liberation, gay liberation, movements among Chicanos and other non-white groups, and the anti-war movement. That era also saw a rebel tendency among workers, which was reflected in numerous wildcat strikes and dissident groups in unions. Black workers were often engaged in labor actions in that era—from the Black revolutionary unions in Detroit auto factories to the Memphis sanitation workers strike.

Through disruptive mass actions—from marches to sit-ins to urban uprisings in places like Detroit and Watts—the Black social movement of that period had a major impact. Gains included both changes in laws as well as in social attitudes about race.

The Voting Rights Act attacked various legal tactics used in a number of states to block or discourage voting by Blacks or other non-whites (such as laws aimed at Indigenous peoples in a number of western states). Laws were passed to ban racial discrimination in housing, hiring, and lending. The Jim

Crow laws that created legal segregation in the south were blown away.

Racist theories and use of racist language and racial slurs were discredited. Overt expressions of racist belief or racist language came to be regarded as not acceptable in polite company. Depiction of Black people in the media also began to change.

The changes in society were also reflected in the growth of the class of Black professionals and managers, the prominence of Black celebrities in athletics and entertainment, and the election of various Black public officials—most notably the election of Barack Obama as president.

Various opinion surveys since the '40s have charted the changes in white racial attitudes. For example, in 1942 only 32 percent of whites agreed that whites and Blacks should attend the same schools. By 1995, when the question was last asked, 96 percent of whites agreed. In 1944, only 45 percent of whites agreed that Blacks should have “as good a chance as white people to get any kind of job,” but by 1972 almost all whites (97 percent) agreed with this statement on equal opportunity. The belief that whites are more intelligent than Black people declined from 60 percent among whites in the 1980s to about 20 percent more recently.

Inter-racial marriage was still illegal in most states in the '50s. A Gallup opinion survey in 1958 found that only 4 percent of whites approved of a marriage between Black and white partners. By 2013, this had changed to 87 percent approval.¹

Although racist stereotypes about the Black community still have adherents among a minority of whites, support for this sort of thing has diminished in the post-civil rights era.

The Real Situation

And yet, racial inequality is still a fact of life, and Black Americans still face widespread discrimination. Blacks are three times more likely to be poor than whites. The average income of Blacks is about 40 percent less than whites. On average, Blacks have about one-eighth of the net worth of whites.²

Some of this disparity reflects class differences, which is shown in the data about inheritance of wealth. The richest 10 percent in the US owns 77 percent of all wealth. Thus 28 percent of whites get an inheritance of wealth, as compared with only 7.7 percent of Blacks.²

The Black and Latino population are over-represented in the lower parts of the class structure. The capitalist elite—the “one percent”—is only about

11 percent non-white. Only 0.5 percent of the more than two thousand people on the 2018 *Forbes* billionaires list were Black. Of the 100 wealthiest billionaires, 98 percent are white.

Whites are also a higher proportion of the class of high-end professionals and managers than they are of the general population. According to Pew Research, Blacks are only 1.9 percent of the top 10 percent of households in wealth—a group that includes high-end professionals and managers as well as business owners. Latinos, Asians, and mixed-race individuals are only 11.2 percent of this group. Thus non-Hispanic whites are 88 percent of the top 10 percent in wealth.⁴

The diversity of the working class has been increasing in recent decades, and non-whites are a growing share of working-class occupations. Non-whites were about 15 percent of the workers in production and transport work back in 1980 but are now about 40 percent of the workforce in this area. The vast majority of employed Black and Latino people are working class.

Apart from the major differences in income and wealth *between* the classes, racial inequality also exists *within* the working class. We can look at this in various ways. There is still substantial wage inequality here. Full-time white workers earned \$765 a week compared to \$611 for Blacks and \$535 for Latinos as of 2010. About 23 percent of white workers had an income below the official poverty line compared to 36 percent for Blacks and 43 percent for Latinos.⁵

Black workers face a pattern of racialized disadvantage that white workers do not. Even though it is illegal, discrimination in hiring, housing, and lending by financial institutions still exists.

There have been so-called “matched pair” studies where Black and white job candidates with similar qualifications are sent to apply for an open position. The white candidate is more likely to be called back. In one study, 17 percent of whites with a criminal record were called back for an interview whereas only 14 percent of Black candidates *without a criminal record* were.⁶

A recent comprehensive study of race discrimination against Blacks and Latinos in the US found “no change in rates of discrimination . . . in field experiments of hiring from 1990 to 2015.” During this twenty-five-year period, “the country saw some favorable racial trends, like declining black-white test score gaps, slow declines in racial residential segregation and the

election of the country's first black president,” said Lincoln Quillian—a researcher at Northwestern University’s Institute for Policy Research. “But whites received on average 36 percent more callbacks to interviews than African-Americans with equal job qualifications, and we found no evidence that this level of discrimination had changed.”⁷

This reality is also reflected in the fact that, in surveys, a majority of Black Americans say they face race discrimination in hiring. Only about 20 percent of whites think Blacks face race discrimination in seeking jobs.

Job search counselors often tell people that the most important way to get a job is to rely on your network of friends, former co-workers, and previous supervisors. People often find jobs through informal networking. Because American society still tends to be rather segregated, whites and Blacks often have different social networks, which can make it harder for Black workers to find out about job openings. If the managers and employees are white, then it’s likely that it will be other white people who will hear about openings via the grapevine. This works as a kind of *de facto* “affirmative action” for whites even if there is no racist intent.

For many years there has been a major difference in the unemployment rates of whites, Blacks, and Latinos. These differences became very stark after the financial panic in 2008. The official unemployment rate for African Americans nation-wide, in February 2010, had grown to 15.8 percent. The official unemployment rate is really an under-count, however, because it leaves out “discouraged” workers who have dropped out of active job search and doesn’t count those working part-time who really need a full-time job. The *real* Black unemployment rate was much higher: 24.3 percent. Unemployment among Black teenagers reached 49.4 percent in January 2010. Black America was experiencing a severe economic depression.

Although the economy has been recovering since the Great Recession that followed the 2008 crash, the racial disparity in finding a job still continues. As of late 2017, the official unemployment rate for whites is 3.7 percent and 7.3 percent for Blacks. Ever since the Bureau of Labor Statistics started breaking down the unemployment data by race, the unemployment rate for Black Americans has always been at least two-thirds higher than for whites and is often double the rate for whites, as at present.

According to a recent report by the UCLA Labor Center:

[Although] Black workers in Los Angeles are significantly more

educated than previous generations were, they still experience lower wages and significantly higher unemployment rates than white workers. Even with a higher degree, more than 1 in 10 Black workers is unemployed. “Black workers are still earning only three-quarters of what white workers earn,” explained Saba Waheed, Research Director at the UCLA Labor Center. “And when it comes to job positions, over a third of Black workers are employed in lower paying, precarious frontline positions. On the other hand, almost every industry that employs Black workers promotes them less compared to white workers.”⁸

Once people are hired, they may also be subject to harassment—or discrimination in promotions or raises. According to a study by the Economic Policy Institute, the wage gap between white and Black workers with ten years or less of job experience has persisted since the 1980s at around 15 to 20 percent. This is true for college-educated Blacks as well as Black workers with only a high school diploma.⁹

Housing

“Wealth” in its income-generating form is highly concentrated in the hands of the capitalist elite, as discussed in the previous chapter. Although owning a home is not a source of income (unless you’re a landlord), it is considered a form of “wealth.” It is really the only significant form of “wealth” held by working-class people. Lack of home equity by the Black and Latino population is a major source of racial inequality.

This has an historical dimension to it because the government programs that favored broader home ownership in the twentieth century were built on a racially biased foundation.

In the 1920s mortgage credit was in its infancy. Typically a mortgage would be for seven years and then you’d have a balloon payment at the end and you’d have to refinance. Back then less than 40 percent of households in the US owned their home. To the extent working-class people owned homes, these were often self-built. Radical activists in the labor movement in the 1920s often opposed buying a home because they saw a mortgage as a “ball and chain” that would make people less willing to strike.

With the collapse of the banks in the early ’30s, there was no way to refinance the short-term mortgages and many people faced the loss of their home. The banking collapse and foreclosure crisis of the early 1930s led to a collapse of the construction and mortgage industries. To revive employment

in the construction industry, the New Deal created the Federal Housing Administration (FHA) in 1934 to re-organize the way home financing was done.

To understand what happened here, it's necessary to look at the history of class and race sorting by the financial and real estate sectors in the construction of the built environment in American cities.

After the Supreme Court banned racial zoning in 1917 (laws banning Black people from living in certain areas), the American real estate industry doubled down on its use of racial deed restrictions—called “covenants, conditions and restrictions” (CC&Rs) in real estate jargon. CC&Rs go with the property, so they are forced on the buyer. By the '20s and '30s, racist CC&Rs were a common practice in the real estate industry, especially in cities such as Chicago, Detroit, and Los Angeles. Restrictions were aimed at class segregation of housing in addition to exclusion of Blacks or Jews.

A 1947 study of Chicago found that “over half the residential area not occupied by Negroes” banned the presence of Blacks by deed restrictions. Racial deed restrictions originated in two different situations. In new construction, large-scale builders were the main force for race restrictions. A 1947 study in New York found racial restrictions in 85 percent of the developments of 75 or more dwellings but fewer restrictions in smaller projects.

The CC&Rs created by the land developers and builders were not the only type of deed restriction. The second type of racial deed restriction occurred in older neighborhoods. Typically, “neighborhood improvement associations” would organize homeowners to enter into voluntary deed restrictions. This did not tend to happen “spontaneously” but was actively encouraged and organized by realtors and mortgage bankers, who took the lead in creating such associations. Association leaders would go door to door getting home-owners to sign covenants in which they would pledge not to sell to Black buyers. A 1951 study of homeowner associations in Chicago concluded that “realtors, builders, and mortgage bankers” were directly involved in “control over the activities of neighborhood improvement associations” and were actively engaged in promoting racial deed restrictions. Realtors fanned the flames of race prejudice through propaganda claiming that the presence of Blacks were a threat to property values.¹⁰

In a study of the 1919 race riot in Chicago, a city commission noted:

Recently . . . there have been conspicuous instances of open and organized efforts to influence the minds of whites against Negroes. Ignorance and suspicion, fear and prejudice, have been played upon. The stated purpose of the propaganda was to unite white property owners in opposition to the “invasion” . . . by Negroes. . . . The *Property Owners’ Journal*, the organ of the real estate men, became so violent in its preachments that the protest of whites forced its discontinuance.¹¹

Robert Weaver reached a similar conclusion in his book, *The Negro Ghetto*: “The rise of racial covenants and other instruments of enforced segregation was more the result of manipulation than the reflection of a spontaneous movement. . . . Resistance to Negro neighbors . . . became widespread only after the professional advocates of enforced segregation had spent much time and money to propagandize its necessity and desirability.”¹²

Although class and race sorting by developers had been common for decades before the ’30s, these practices were not uniformly applied throughout the industry. The FHA made the situation worse because an agency of the federal government now officially encouraged such practices. According to historian Marc Weiss, “FHA was largely run by representatives of the real estate and banking industries.”¹³ These people then brought their racist and class-biased gospel into the policies and recommendations of the FHA, which recommended use of CC&R restrictions to ensure that families in an area would have the same class and race characteristics.

The “red-lining” practices mandated by the FHA made it harder to obtain home improvement loans for older central city neighborhoods. For example, as late as 1966 Trenton and Camden, New Jersey, did not have a single FHA loan.¹⁴

During the massive highway-building and suburban home-building expansion after World War II, many white families—including working-class families—benefited from government subsidies to private homeownership, such as FHA mortgage insurance, the new government-created system of thirty-year and fifteen-year mortgages, and the income tax exemption for mortgage interest and property taxes.

This raised the home-ownership rate domestically from less than 40 percent before World War II to over 60 percent by the 1960s. (During the credit expansion from late the 1990s up to the big 2008 financial crash, the

homeownership rate expanded to about 68 percent, but has now fallen back to the level of the 1960s.) Although quite a few white working-class families became home-owners during this period, far fewer Black families did, either because their wages lagged behind or because they faced discrimination from builders or mortgage bankers, or both.

This means that today more white families in the USA—and fewer Black families—have home equity that can be passed on as an inheritance to their children. Home equity—and capital gains from sale of houses that have increased in value—can be used for many purposes—such as buying a new house, paying off debts, or financing the college educations of one’s children.

Despite the fair housing laws passed in the 1960s, discrimination in housing still occurs. A Black couple who inquire about a rental unit or a house for sale may be told it’s already been taken when it’s still available, or they may be quoted a higher rent than the actual rent.

The financial panic of 2008 also revealed that discrimination in lending is still a reality. Black and Latino families were more severely affected by the huge plunge in housing values in the crash, leaving them with fewer resources to fall back on. According to the Center for Responsible Lending, Black and Latino families lost between 146 and 190 billion dollars in home equity in the post-2007 housing crash. Discriminatory lending is partly to blame. Often risky subprime mortgages were sold to Black families who would have qualified for less risky loans.¹⁵

A recent study of thirty-one million Home Mortgage Disclosure Act records found that “African Americans and Latinos continue to be routinely denied conventional mortgage loans at rates far higher than their white counterparts.” The study found that Black applicants were turned away at significantly higher rates than whites in forty-eight cities, Latinos in twenty-five, Asians in nine, and Indigenous Americans in three. Black Americans had the hardest time getting loans in southern cities such as Mobile, Alabama, and Gainesville, Florida. All four groups were “significantly more likely to be denied a home loan than whites” in the Washington, D.C. area.

In making the comparison of white to non-white applicants, the study compared applicants who were similar on nine factors: the applicant’s income, the amount of the loan, the ratio of the size of the loan to the applicant’s income, and the type of lender, as well as the racial makeup and median income of the neighborhood where the person wanted to buy

property. In response, banks claimed the study left out the credit score that banks use. But banks keep the credit scores to themselves, and the American Bankers Association has opposed all efforts to force the banking industry to reveal the methods they use for determining credit scores. Studies have claimed that the secret bank credit scoring schemes are discriminatory against people of color.¹⁶

Segregated Schooling

Schooling is an area of society where there is a lot of segregation along both class and race lines—despite the efforts at de-segregation in the '70s.

The southern scheme of Jim Crow laws requiring racial segregation in schooling and many areas of public life had been based on the 1890s Supreme Court decision in *Plessy v. Ferguson*, which ruled that “separate but equal” was not a violation of “equal protection of the laws” as guaranteed in the 14th Amendment. The poorly funded schools for Black children in the south were a clear indication that “separate” did not mean “equal.”

The Supreme Court reversed that ruling in 1954, and the *Brown v. Board of Education* decision held that race segregation in schools was indeed a violation of “equal protection of the laws” as guaranteed in the 14th Amendment. This blew away the legal basis of Jim Crow in the south.

At the time of this decision, Earl Warren—a former Republican governor of California—was Chief Justice. As Warren later revealed, the decision was motivated by the political balance of forces in the world at the time.¹⁷ After World War II, the old European colonial empires were being unraveled and many countries in Africa and Asia were gaining their independence and becoming more assertive in world affairs.

At the same time, there were also powerful Communist-led labor movements in western Europe and Communist-led revolutions in China and Vietnam. Communists and other radicals harshly criticized the United States for its system of racial segregation. In the Cold War struggle for world public opinion, racial *apartheid* was an embarrassing liability for the American ruling class. The interests of the American corporate elite require that the federal government defend the world capitalist system and the access of American corporations to the markets and resources of countries in Asia, Africa, and Latin America.

Despite *Brown v. Board of Education*, de facto racial segregation in schooling has grown over the past two decades. The American school system is now more segregated than it was in 1968—before the school

desegregation push by Nixon's Justice Department in the early '70s.

Even though white students are now only 40 percent of the total number of school attendees in the US, almost half of white kids now attend schools that are more than 90 percent white. According to one study, growing numbers of Black and Latino kids are attending “intensely segregated” schools where students of color are more than 90 percent of the attendees at that school.¹⁸

Police and the Courts

Another area where racialized inequality survives is in the treatment of Black (and Latino) working-class people by the police and criminal justice system.

The “War on Drugs” was first announced by Richard Nixon back in the early '70s and then ramped up further by Ronald Reagan in the early '80s. The drug war also went hand in hand with “get tough on crime” politics in the '80s. This led to ramped up “stop and frisk” operations by police, tougher sentencing laws, “three strikes” laws, and a federally funded militarization of local police forces. All of which then fed a vast increase in the incarcerated population.

As the Human Rights Watch report *Nation Behind Bars* put it: “Law-makers have criminalized minor misconduct, instituted mandatory prison sentences even for low-level crimes, and established ‘three-strikes-and-you’re-out’ laws for recidivists.”¹⁹

Even though crime rates have declined since the early '90s, the buildup of the American police state hasn't let up. Blacks and Latinos make up 56 percent of the prison population—two-times their proportion of the general population of the United States.

Between 1983 and 2000 the total population in cages grew from three-hundred thousand to two million. Within the first three of those years, four times as many people were sent to prison on drug charges. Three-quarters of the people put in cages for drug charges were Black and Latino. Today about a half million people are in jail for drug offenses, whereas in 1980 fewer than forty-two thousand were.²⁰

Claims that the police were targeting “drug kingpins” are implausible. In 2005, 80 percent of drug charges were for possession. In the 1990s, 80 percent of the drug arrests were for marijuana—a drug that is less harmful than alcohol or cigarettes.

Blacks and Latinos are arrested and sent to prison for drugs at a rate far

higher than their proportion of the population. A 2000 study by Human Rights Watch found that in seven states Blacks were at least 80 percent of those sent to prison on drug charges.

As drug infractions are victimless crimes, police have broad discretion about who to target for traffic stops or “stop and frisk” street sweeps. Here it’s also relevant to look at studies of the racial attitudes of white cops, to understand how likely racial bias is in their conduct. A 2017 study of white police officers found that they were nine times more likely than white conservatives in general to endorse the idea that Black people are more violent than whites.

With violent crimes like homicide or crimes like burglary or forgery, there is a victim. This points the police in the direction of a possible perpetrator, based on the evidence they collect. A case can be made that there is no clear evidence of police racial bias in *arrests* for these types of crimes.²¹ But what happens in court is a different story. Racial discrimination—and prejudice against the poor in general—is common among prosecutors and judges, which is clear in the way that people are loaded up with charges, and in the harsh sentences that are handed out.

For example, a 2000 study of juvenile offenders found that Black youth were six times as likely to be sentenced to prison as a white offender for the same crime.²² Most criminal charges do not go to trial but are settled via plea bargains. Blacks routinely get worse plea deals. Studies generally show that Blacks are on average given a 15 percent longer sentence than a white perp in the same situation.

A major study of research literature in 2005 found discrimination against Black and Latino people in the length of their sentences and in whether they were sent to prison.²³ As well, Black people are much more likely to get the death penalty in homicide trials. And there is also evidence that Blacks get wrongly convicted more often than whites.²⁴

Studies show that Black and white defendants in jury trials are equally likely to be acquitted if there is at least one Black juror but whites are more likely to be acquitted with an all-white jury. Moreover, prosecutors have a tendency to use various stratagems for removing Black jurors.

These racial differences in how people are treated by prosecutors and judges are violations of the “equal protection of the laws” supposedly guaranteed by the 14th Amendment. But rights in the U.S. Constitution are just words on paper with no coercive force. The Supreme Court has

routinely protected the criminal justice system against any challenges of racial bias based on the 14th Amendment.²⁵

At present, Black men are five times as likely to be in prison than white men. Although there is evidence for racialized difference in things like length of sentence or likelihood of the death penalty, a recent study by the People’s Policy Project shows that the main explanation for mass incarceration of Black men is their poverty.

Researcher Nathaniel Lewis looked at the situation of Black and white men at a similar low rung of the working class—low income, raised in a low income family, not much formal education, don’t own a house. He found that white men from this lower section of the working class are incarcerated at roughly the same rate as Black men. Thus the main explanation for the much higher incarceration rate for Black (and Latino) men is that they are much more likely to be poor than white men overall.

Lewis suggests that “mass incarceration is primarily a system of managing poor people, rather than Black people, and the racial disparities show up mostly because Black people are disproportionately” poor.²⁶

In a society based on class oppression, it should not be surprising that the institutions of the state—the criminal justice system in this case—have a structural bias against the subordinate class, and especially the poorer segment, but, as we’ve seen in this overview, there is a racial dimension as well.

Voting Rights

Voting rights is another area where race discrimination is in play. When the U.S. Constitution was imposed, only white men of the propertied classes could vote. Ever since the right to vote was extended to the working class—starting with propertyless white men in the 1830s—the elite have had to devise methods for “managing” the system of electoral politics to minimize the threat to elite interests.

After the American Civil War, the 15th Amendment was passed to guarantee Black people the right to vote. But the 15th Amendment was always completely useless because Congress would not ban the tactics used to suppress the vote of non-whites and poor people in their home states.

Between 1890 and the 1920s, many new laws restricting the right to vote were passed. This included poll taxes (paying to have the right to vote), literacy tests, and elaborate voter registration procedures. Seven states in the south and eleven states in the north and west imposed literacy tests. These

tests were intended to take the right to vote away from Blacks in the south, from working-class European immigrants in the north, and from Indigenous peoples and Asian immigrants in the west. By the 1920s, Black participation in voting in the south had been reduced almost to zero. Overall voter turnout in the south in the 1924 presidential election was only 19 percent.²⁷

Even though these vote suppression tactics violated the “equal protection of the laws” guaranteed in the 14th Amendment, the federal judiciary never banned these practices. The various schemes used in southern states to keep Blacks and poor whites from voting were not really attacked until the mass protests of the Black freedom movement in the ’60s. The Voting Rights Act of 1965 was specifically aimed at outlawing the use of literacy tests. In 1967, the U.S. Constitution was also amended to ban the use of poll taxes.

Nonetheless, some Jim Crow-era laws limiting voting rights have survived. In particular, most states have laws that take away the right to vote from people held in prison, and many states—especially in the south—have laws that permanently take away a person’s right to vote if they have been convicted of a felony. This is a class and race-biased policy because the entire criminal justice system is riddled with class and race bias.

More recently, the efforts of the Republicans to pass voter ID laws are another attempt at suppressing the votes of the working poor, young people, and racial minorities. This is a page out of the playbook of the old racist Dixiecrat party. These laws typically require government-issued photo IDs to vote—such as a driver’s license or passport. The initiative for these laws can be traced to the corporate-funded American Legislative Exchange Council.

What I’ve described here is a racialized set of social practices that tramples the positive and negative freedom of Black Americans. And thus it satisfies my definition of *oppression* in the previous chapter. When police and the criminal justice system target Blacks (and Latinos) for worse treatment, it is coercive—and thus a denial of negative liberty. A person’s ability to pursue their goals and control their life—their positive freedom—is restricted if jobs and resources are harder to obtain or closed off through discrimination.

Perceptions

But Black and white Americans often disagree in their perceptions

about racial inequality and the reasons for it. For example, about 60 percent of Black people believe that race discrimination is still a systemic problem but only about 30 percent of white Americans do.²⁸ Only 22 percent of whites think that Black people are treated less fairly in the workplace than whites but two-thirds of Blacks believe this.²⁹ There are a number of things that help to explain this.

The corporate media—and both liberal and conservative pundits—tend to tout the changes in American society since the Sixties: The destruction of legal Jim Crow segregation, the passing of laws outlawing discrimination, the visibility of successful Black athletes and celebrities, and the emergence of a class of Black high-end professionals and managers.

At the same time, American society is still quite segregated in various ways—social circles people hang out in, churches they attend, schools they send their kids to, and neighborhoods where they live. So this means many white Americans have few opportunities to hear stories from Black people about racist abuse or discrimination.

And then there is the change in racial attitudes among white Americans which I described earlier in this chapter. To some extent there is also a widespread confusion about what racism is. The word *racism* has two meanings. In everyday talk people often use the word *racism* to refer to overt, in-your-face expressions of racist belief or racist language. In this meaning, *racism* refers to bigoted or prejudiced attitudes or beliefs of individuals.

So as prejudiced language and overtly racist belief has diminished and has become socially discredited—and the laws changed to outlaw race discrimination—this leads many white Americans to say that racism has been vastly reduced or mostly overcome. But this is looking at the surface.

The word *racism* can also be used to refer to a structure or pattern of discrimination and denial of equal access to resources. In this case we're talking about the structure of power among groups in society. This means the racialized group is subordinated in society—they have less power.

I say “racialized” because biological race is a myth. The human species is not partitioned into biologically distinct breeds or “races.” The human species in modern form originated in Africa hundreds of thousands of years ago, and various groups from that population spread out over the planet through thousands of years of migration. The similarities and overlapping genetic lines of human groups make “race” too fuzzy a concept from a

scientific point of view.

Thus, “race” is created by a pattern or social practice that assumes that a group are inferiors who it is okay to treat worse for arbitrary reasons related to ancestry (such as darker skin or certain facial features). A practice or pattern of this sort can continue even if the level of overt in-your-face racist talk and prejudiced belief has declined. Thus I assume that race oppression is a structural feature of the society—not reducible to overt racist beliefs or behaviors of individuals.

Sociologist Eduardo Bonilla-Silva calls the present racial situation in the United States “color-blind racism” because racialized inequality is able to survive in an era when overt race prejudice has been discredited and discrimination is illegal.

When Americans are asked to explain the reality of racial inequality, some non-Black individuals—and conservative pundits—will fall back on alleged “cultural” failings of Blacks—laziness, reliance on welfare, childbirth out of wedlock, violence.

According to the Pew Research Center, about 70 percent of Black Americans believe Blacks work about as hard as whites but only 40 percent of whites believe this (and one out of eight Blacks believe Blacks work harder than whites).

Black workers often do hard and stressful jobs, working as bus and truck drivers, cooks and other food service jobs, or as nurse’s aides. Historically Blacks often were consigned to the hardest and dirtiest jobs. Given this reality, the “they aren’t motivated” explanation isn’t plausible. Very often Blacks find that to be hired, they must have even better qualifications than their white counterparts.

Among conservative pundits a favorite explanation for greater poverty among Black Americans is “Black family structure.” This line of argument has a certain history—originating with Daniel Patrick Moynihan’s 1965 report “The Negro Family: A Case for National Action.” Although Moynihan cited the long history of segregation and discrimination to explain the situation of the Black population, he argued that the high rate of single-mother-headed households was a barrier to overcoming racial inequality.

This has led to an on-going conservative theme that welfare encouraged a “break-down” of the Black family and the absence of Black fathers from the lives of their children—their failure to take responsibility. Thus right-

wing elements argue that the ability of poor Blacks to receive various types of “social wage” support—such as welfare and food stamps—is a key explanation for Black poverty. The idea that government support of the poor is an explanation for poverty is a bizarre “blame the victim” idea that supports right-wing attacks on social support programs.

Poor job prospects, incarceration, and discrimination can be disruptive to family life for the poor—and can impact things like school performance of kids. But these things result from poverty. And the *effects* of poverty can’t explain why poverty happens.

Violence in poor communities can be partly explained by the desperate resort to forms of “informal” work among people who can’t find work through an employer or can’t find jobs that pay enough to live on. The “informal” economy includes types of services and activities that are illegal—drug dealing, prostitution, shoplifting, fencing stolen goods. When people are engaged in the illegal drug trade, they can’t go to the police and the courts if they have disputes with competitors or former partners. Scores are often settled with guns or knives.

But violence occurs as much among impoverished whites as Blacks. Moreover, contrary to what white supremacists say, whites are also the major source (57 percent) of violent crime against other whites.³⁰

What we see here, then, is that many of the alleged facts right-wing white pundits use to explain racial inequality are actually *effects* or symptoms of poverty. Symptoms of poverty can’t explain why poverty happens—and it can’t explain why poverty happens to Blacks and Latinos to a greater extent than to whites.

Despite the various gains won by the movements of the Sixties, in changing laws and changing minds, a white racist minority continued. Beginning with Nixon’s “southern strategy,” the Republican Party began to cater to this segment of opinion, winning over most of the white constituency of the segregationist Dixiecrat party. Conservative politicians developed the particular form of deceit known as “dog whistle” politics. The idea was to use language that you knew would be perceived by racists (the dogs) as an attack on the racialized “Other” but without the use of overtly racist language. You had “plausible deniability”—you could deny racist intent. As Republican strategist Lee Atwater put it:

You start out in 1954 by saying, “N*****, n*****, n*****.” By 1968 you can’t say “n*****” —that hurts you, backfires. So you say

stuff like, uh, forced busing, states' rights, and all that stuff, and you're getting so abstract. Now, you're talking about cutting taxes, and all these things you're talking about are totally economic things and a byproduct of them is, blacks get hurt worse than whites. . . . "We want to cut this," is much more abstract than even the busing thing, uh, and a hell of a lot more abstract than "N*****, n****."

The "law and order," "get tough on crime," and "War on Drugs" rhetoric of the '80s and '90s can be seen as targeting the racial "Other" without using overtly racist language. As I argued earlier, this political movement was the background to the massive increase in people in prison—and disproportionately Black and Latino people. Nonetheless, this has also led to a major increase in the imprisonment of lower-class white men.

Public funding for social programs was attacked by hinting (in dog-whistle fashion) that benefits would go to the racial "Other"—but without using explicitly racist language. Thus the talk about "welfare queens" was part of the campaign that led to the destruction of Aid to Families with Dependent Children. The various workfare programs (work for pennies an hour to get welfare) and drug testing for recipients of public assistance programs were also part of the appeal to white racial resentment.

The Republicans, in particular, assemble their voting base through appeal to a form of white "identity politics"—forming a cross-class alliance that tries to appeal to working class and middling whites behind an agenda that serves the interests of the capitalist and bureaucratic control classes.

Racism and Capitalism

What is the relationship of racial inequality and systemic racism to the capitalist regime? Does capitalism help to explain why systemic racial inequality has been so persistent in the USA or is racism independent of capitalism? If racism is independent of capitalism, what is the explanation for it? Does the top-down and competitive character of the capitalist class regime help to explain why racializing practices have been so persistent?

Defenders of capitalism often argue that capitalism has no inherent tendency to sustain racism and will tend to eliminate it. Pundits who hold this view usually point to the "cosmopolitan" character that capitalism generates in society. This is the kind of argument that Milton Friedman uses in *Capitalism and Freedom*:

It is a striking historical fact that the development of capitalism has been accompanied by a major reduction in the extent to which

particular religious, racial, or social groups have . . . been discriminated against. The substitution of contract arrangements for status arrangements was the first step toward the freeing of the serfs in the Middle Ages. The preservation of Jews through the Middle Ages was possible because of the existence of a market sector in which they could operate and maintain themselves despite their persecution. . . . The free market separates economic efficiency from irrelevant characteristics. . . . A purchaser of bread does not know whether it was made by a white man or Negro, by a Christian or a Jew. . . . Furthermore, there is an incentive in a free market to separate economic efficiency from other characteristics of an individual. A businessman or an entrepreneur who expresses preferences in his business activities that are not related to productive efficiency is at a disadvantage.³¹

Friedman holds that employers who discriminate will incur costs from doing so. Right-wing “free market” economists like Friedman may argue that a capitalist employer who discriminates against Blacks would be at a disadvantage. If Blacks can be paid less due to a pattern of discrimination that reduces their employment opportunities in society, an employer who hires them will be able to make a higher than average profit from paying them less wages for the same laboring ability as whites. This employer can then re-invest these higher profits in building up the firm’s technology and market share and out-compete the employer who does not discriminate.

Moreover, Friedman argues that employers who discriminate “are transmitting the preferences of either their customers or their employees” when they engage in race discrimination. This implies that the capitalists themselves have no interest in—do not gain from—racism.

However, Friedman’s vision of capitalism evades the way capitalism is a system of power over workers—a form of class oppression—as I described in the previous chapter. In *Capitalism and Freedom*, Milton Friedman starts his description of capitalism with a fantasy:

In its simplest form, such a society consists of a number of independent households. . . . Each household uses the resources it controls to produce goods and services that it exchanges for goods and services produced by other households. . . . Since each household has the alternative of producing directly for itself, it need not enter into any exchange until it benefits from it. Hence, no exchange will take

place unless both parties do benefit from it. Cooperation is thereby achieved without coercion.

Friedman then invites us to infer that the more complex present-day economy of corporate capitalism is relevantly similar: “Despite the importance of enterprises . . . in our actual economy . . . the characteristic of the market technique of achieving co-ordination is fully displayed in this simple exchange economy.”³²

Friedman has defined his model of capitalism as a society of self-sufficient households. Thus there is a rough equality of bargaining power because each household has its own property—its own means of production—which it can use to make a living. So people are not forced to work for others. Friedman evades the reality of class oppression inherent to capitalism, so there is no place for class conflict in Friedman’s model.

Friedman’s fantasy land picture of capitalism overlooks features of the capitalist structure that explain why capitalist firms can benefit from race discrimination. If we consider the real situation of class conflict between employers and workers, we can see why capitalism in fact does play a role in fostering and sustaining racial inequality.

Racism and Class Conflict

The primary way that the capitalist regime gains from racism is in the way it weakens the capacity of sub-groups of the working class (such as Black, white, and Latino working people) to come together to build coalitions in struggle against the dominating classes—around political issues like public services or in building unions in the workplace.

Capitalism is a system that employs workers to produce commodities for sale on markets. When the firm hires people, it is “renting” our capacity to do work. But it is up to management to figure out how to organize and control our activity in ways that help the company make a profit.

There is a fundamental conflict of interest between workers and the capitalist firm in this situation. Workers have an interest in working less hard and being safer, whereas the company has a stake in extracting as much work as possible at the lowest cost to them. Workers have an interest in safe work practices and having some say. Employers have no such stake. The profits the employers can suck out of labor depend on how effective they are at managing the efforts of the workforce and keeping worker resistance and disruption at a minimum.

This is why workers resist from time to time. When workers can form

coalitions and band together, create unions, and engage in work stoppages, they can exert collective power to gain better conditions and higher wages.

But the level of solidarity and resistance working people are able to put together varies a lot over time. The history of unionism in the United States, for example, shows that strikes and large-scale cross-group solidarity tends to happen mainly in certain periods—as in the strike waves of the 1930s or during World War I. During these periods, when workers are banding together on a wide scale and solidarity is growing, workers can gain enough social power to force major concessions from the dominating classes. The signature measures of the New Deal in the '30s—Social Security, legal minimums for wages, unemployment insurance, and so on—were passed in the wake of an unprecedented period of working-class solidarity and insurgency in the US—hundreds of thousands of workers forming unions from scratch, huge waves of strikes, plant seizures, city-wide general strikes.

However, struggle against the employers has been at a much lower level now for decades. There are not at present large-scale mass movements where working-class people are making gains against the elites.

When people don't see a lot of collective resistance around them—and don't see the gains from that—they are less likely to think in terms of the advantages of class-wide solidarity. People may view their situation as “You're on your own.” In other words, the potential gains from wide solidarity among the various sub-groups that make up the working class can be harder to “see” if that level of solidarity isn't actually going on.

During “normal” times, the logic of personal competition comes into play, as capitalism is a social arrangement based on competition. The firms compete with each other, but workers also compete for jobs. Working-class families send their members out to compete with others looking for work. People forced to seek work to live will use whatever advantages they have in this situation. If the employers have a pattern of giving preference in hiring to people regarded as “white,” then this is an advantage for those regarded as “white.” If people see a personal advantage for them in being viewed as “white,” they may adopt prejudiced ideas about other groups in order to justify this preference in their favor.

Racism can then act as a barrier that makes it harder to develop the cross-group solidarity among workers that builds greater working-class social power. Racial or ethnic divisions enable managers to play one group

off against another and make it difficult to form the kind of coalition needed to build a union or sustain a strike. A manager at a Chicago area steel firm explained the importance of this: “It isn’t good to have all of one nationality; they will gang up on you. . . . We have Negroes and Mexicans in a sort of competition with each other.”³³

If we think of the practices of race discrimination I described earlier, who are the people who enact or carry out these activities? Hiring managers, cops, prosecutors, judges, realtors, loan officers. These are people from the bureaucratic control class. Their job is the day-to-day management of a system based on class oppression and exploitation—and racial and gender hierarchies are part of this system.

When the potential for worker solidarity and working-class resistance is weakened, the owners and managers retain more power over the society, over their companies, and make higher profits from the reduced power a working class has when it’s divided by racism. The system is also safer if there is not a strong level of class-wide solidarity that could lay the basis for a movement of working-class liberation from capitalist oppression.

The American working class loses from the weaker systems of public services and weaker systems of worker rights (no national requirement of paid parental leave, for example) than exists in other highly developed capitalist countries. And racial division is part of the explanation for this.

If we look at the absence of a universal free public health care system, the weak and fragmented character of the American labor movement is part of the explanation. In the 1940s some New Deal Democrats proposed a universal public health care system. But the divided American labor movement pursued a different solution—a fragmented systems of “private welfare states” negotiated by separate unions from various employers. This abandoned the majority of the working class. Another part of the explanation lies in the tendency in present-day American politics for a sizable faction of whites to reject systems of public support for fear that the racial “Other” will benefit—a factor at work in the destruction of Aid to Families with Dependent Children.

Liberation from the capitalist regime would require a very high level of solidarity and mass organization among working-class people. Only a high level of struggle and working-class strength would encourage working people to believe they may have the power to actually escape the capitalist cage through the creation of a socialist arrangement where workers manage

the industries themselves. To the extent that workers do come around to that concept of fundamental change of the system, the necessity of solidarity between the various sub-groups that make up the working class becomes clearer.

Racism is against the interests of the working class—including white workers—because it tends to undermine the ability to build unions and working-class social power, and leads to lower wages and lower expenditures on social services that working-class people use.

Writing in *Negro Liberation* in 1948, Black communist Harry Haywood pointed out the way that white workers in the south were losers from “white supremacy”:

It is not accidental . . . that where the Negroes are most oppressed, the position of the whites is also most degraded. Facts unearthed and widely publicized . . . have thrown vivid light on the “paradise” of racial bigotry below the Mason-Dixon Line. They expose the staggering price of “white supremacy” in terms of health, living and cultural standards of the great masses of southern whites. They show “white supremacy” . . . to be synonymous with the most outrageous poverty and misery of the southern white people. They show that “keeping the Negro down” spells for the entire South the nation’s lowest wage and living standards. “White supremacy” means the nation’s lowest wage and living standards. “White supremacy” means the nation’s greatest proportion of tenants and sharecroppers, its highest rate of child labor, its most degrading and widespread exploitation of women, its poorest health and housing record, its highest illiteracy and lowest proportion of students in high schools and colleges, its highest death and disease rates, its lowest level of union organization and its least democracy.³⁴

In the 1970s, Michael Reich did a study about the levels of racial inequality in various American metropolitan areas. In it, he compared wage levels and the level of economic inequality between white workers and the dominating classes. He found that worker wages—including wages for most white workers—were lower and profits higher in areas where racial inequality was greater. In other words, more of the economic pie is scarfed up by the elite classes when working-class social power is weakened through racial division.

In the 1970s, union membership in the United States was still greater

than 20 percent of the workforce. In that era, Reich found that union “density”—proportion of workers in unions—was lower in urban regions where racial inequality was greater.

Reich’s analysis did not look at the causes of the racial inequality. He said, “No matter how racial inequality is created, it will have the effect of weakening working-class solidarity. . . . Capitalists benefit from racial divisions whether or not they individually or collectively practice racial discrimination.”³⁵

Exploiting Lower Wage Groups

There is a second benefit that capitalism derives from racial inequality; discrimination and exclusion means that some groups have a harder time finding jobs. This is reflected in the higher unemployment rates for Black and Latino workers. When groups—women, Blacks, Latinos—have fewer job areas they are hired into or are subject to discrimination within, there will be employers who can take advantage of this circumstance and pay these workers lower wages.

Not all employers are able to pay the same level of wages and benefits. Many smaller, more marginal or labor-intensive workplaces, such as meatpacking plants, survive and make profits because there are groups in the working class who can be hired at lower pay levels. Some larger firms have particular operations that would be unprofitable without use of low-wage labor pools.

Some facets of the capitalist economy are very capital intensive. In these areas high levels of investment have created firms that produce high levels of market value per worker hour—such as utilities, producers of high tech software and hardware, and highly mechanized forms of manufacturing. This higher productivity makes it possible to pay higher wages. However, in other areas of the economy, capitalist firms have found it harder to raise productivity—such as retail, restaurants, or personal services.

Thus it’s useful for the capitalist profits regime to have groups of workers who can be paid less and treated worse due to discrimination that limits their options. As I argued in the previous chapter, capitalism has an inherent tendency to maintain and build up a “reserve army of labor”—pools of the unemployed. Maintaining this reserve beefs up the bargaining power of employers in the labor market. When forms of systemic discrimination create groups with a harder time finding work, it means that low-wage firms will always be able to survive by exploiting groups of

workers who are in a more desperate situation. Thus competition in the capitalist economy does not necessarily tend to equalize wages or give all workers an equal opportunity.

But my argument only implies that capitalism benefits from racial antagonism and racial inequality *as experienced by the working class*. Friedman *might* be right that a globalizing capitalism can work to reduce racial antagonism or racial disparities (and gender inequality also) *within* the owning and investing class itself and among the class of high-end professionals and managers who work to manage their ventures and governments day to day.

As the capitalist firms have come to operate on a global scale and work to sell in many markets, a veneer of “diversity” can serve to bolster the legitimacy of the corporate realm in the eyes of the population. They may hire “diversity consultants” and provide opportunities for non-white professionals and managers, or fund politicians—like Barack Obama—who can give the impression of their respect for diversity. But this should be viewed in the same light as corporate PR and corporate programs designed to give the impression of being “green” or sensitive to environmental concerns—even while capitalism acts in ways that are polluting and ecologically destructive.

Origins

I’ve suggested two ways that capitalism benefits from racial antagonism and racial inequality—weaker working-class power and exploitation of groups with fewer opportunities. We can see both of these factors at work in the origins of anti-Black racism in the colonial era in North America.

Back when the British were establishing a settler society in North America, a capitalist economy hadn’t yet emerged. In the inland areas of the north there were many rural villages where people lived on small farms, grew food, and made things for their own use. Money didn’t circulate much. There was a kind of pre-capitalist peasant subsistence economy.

In the south (and to a lesser extent in the north) there was another type of pre-capitalist mode of production, based on the use of slave labor. All the European powers that engaged in conquest and plunder in the Americas used slave labor. However, British North America was unique in its extensive use of enslaved Europeans—mainly lower-class English people.

They were called “bond-servants”—“servants” bound to a master. But, as English novelist Daniel Defoe put it, in the early 1700s, they were “more

properly called slaves.” A typical term of service was seven years.

Masters could buy and sell bond-servants. They were routinely whipped, or branded, for disobedience. When a master died, they were listed among his possessions along with his horses and tools. In other words, “servants” were owned as mere chattels, as tools. Rape and sexual abuse was endemic for female bond-servants. Bond-servants were not only used on plantations, but throughout the economy . . . in iron foundries, shipyards, lumber camps, in merchant houses. Quite a few bond servants were worked so hard that they died before their term of servitude was over.

I don’t mention this system of European slave labor to diminish the reality of Black slavery that came later, but to explain how the latter form of racialized slavery came into existence.

The use of “bond-servants” in North America was part of the fallout from the huge displacement of rural people in England in the 1500s. Due to the enclosures movement by the big land owners (enclosing land for raising sheep or other commercial farming), rural people were being thrown off the lands where they had grown food for themselves. They were forced to seek work as wage workers, if they could find work. So England had a huge number of unemployed people tramping the roads and engaged in begging and forms of informal work, such as groups of troubadours singing for coins. This led to the passage of the Vagrancy Act of 1597, which allowed the authorities to round up anyone who didn’t have a job and put them in a forced labor regime.

Beginning in 1618, in London and other areas, sweeps of children who were deemed “vagrants” began. Representatives of the Virginia colony were allowed to select those for shipment to Virginia.³⁶

So this initial system of slave labor in North America was not racialized. The first Africans were brought to British North America in 1619 by the *White Lion*—an English pirate ship. Those people had been captured and taken aboard from a Spanish slave ship. At that time Africans were treated as just another group of bond-servants. In those early years, they could obtain their freedom once their seven-year period of enslavement ended. On the plantations, “Europeans and West Africans labored side by side in the tobacco fields, performing exactly the same types and amounts of work; they lived and ate together in shared housing; they socialized together, and sometimes slept together.”³⁷ African bond-servants sometimes married working-class European women after their period of servitude ended. Just

as Black and white bond-servants worked together, they also cooperated in acts of resistance and occasionally ran away together.

In the early 1600s, a conception of “white race” and “Black race” hadn’t yet developed in English culture. Marxist C. L. R. James used the example of Shakespeare’s play *Othello* to illustrate this point. Written between 1602 and 1604, this play is a telling symbol of the change in attitudes towards Africans between the English society of the early 1600s and America in later years. The central protagonist in the play is a dark-complected “Moor”—an African—who is a powerful commander of military forces for Venice. Writing about *Othello*, C. L. R. James says: “I say with the fullest confidence that you could strike out every reference to [Othello’s] black skin and the play would be essentially the same. . . . He is a military bureaucrat, a technician, hired to fight for Venice. . . . The Senate has no consciousness whatever of his color. . . . It simply has no place in their minds.”³⁸

Taming the resistance of the plantation labor force would be one of the motivations for the introduction of a racialized system of slavery.

The potential for rebellion was a major fear of the colonial elite. In 1672, the Virginia government reported that “many negroes are now out in rebellion in sundry parts of this country” and warned about “dangerous consequences” if “other negroes, Indians or servants should happen to fly forth and join with them.”³⁹

In 1676, a dispute among different landowning factions in Virginia led to Bacon’s Rebellion. In a last desperate effort to maintain his revolt, landowner Nathaniel Bacon promised freedom to bond-servants who would fight for him. When the British military eventually crushed the rebellion, the last group to surrender were an armed force of English and African bond-servants who were fighting together. This was a nightmare for the colonial elite.

To solve their labor-control problem, the American elite decided on a “divide and conquer” strategy—to divide the Black and white laborers. Through a series of laws passed by the colonial legislatures, between about 1690 and 1725, the elite began to define a new system of racialized slavery. People of African ancestry would be condemned to lifetime servitude. It would be an inherited condition; so the masters would own the children of the enslaved.

To justify the new laws they were creating, the elite started a campaign

to disparage people of African ancestry. The purpose of the campaign was to encourage the poorer white population to look upon Blacks with contempt or skepticism, to discourage them from supporting or joining them in acts of resistance.

The colonial elite, north and south, were creating a system of racialized oppression—creating social categories of a “white race” and a “Black race.”

During the 1700s, there was a very large increase in the number of enslaved Africans brought to work in North American plantations. Because of the new system of inherited life-time slavery for people of African ancestry, it was now more profitable to use enslaved Black people than European bond-servants. A plantation owner could buy an African person for life-time service at the same price as a European bond-servant who would serve for seven years. And the enslavers would own the children of the enslaved Blacks for free. And so, the shift to enslaved Africans (from European bond-servants) reduced labor expenses.

The dominant class thus benefited from a scheme of racializing people of African ancestry in two ways. First, it strengthened the control of the elite by making it more difficult for the laboring class to come together to cooperate in resistance. And, secondly, it enabled the dominant class to gain greater profits from the more intense exploitation of the disfavored groups who could be treated worse.

Here I have discussed the way racialized slavery was created as a form of labor exploitation and “divide and conquer” used by the main owning class in the colonial era, but racializing human sub-groups also served another purpose at that time. The Indigenous population were also racialized—disparaged as “savage” or inferior. But that had a somewhat different purpose since the organizers of the English settler society did not intend to exploit Indigenous labor—unlike their Spanish counterparts in Latin America. Rather, the aim was to justify dispossession or ethnic cleansing—pushing the Indigenous population aside in order to take their lands.

The slave labor regime in the colonial era (and continued in the south until the American Civil War) was a pre-capitalist form of economy. A characteristic feature of capitalism is the constant change in techniques and work organization as firms seek to reduce labor expenses by reducing labor hours per unit of output. The firm saves money by laying off workers during slack times. This dynamic derives from the very structure of capitalism as a system of competing private firms operating in a market-

oriented society.

But this kind of dynamic didn't exist in the slave regime. Because the enslaved person was a fixed investment by the enslaver, plantations tended to maximize the use of the enslaved population over the course of the year—by making the plantation largely self-sufficient, for example. Although there were occasional one-time improvements in technique—such as the shift to cooperative gang labor on cotton plantations in the 1820s—labor productivity remained largely static.⁴⁰

Nonetheless, the two ways in which the planter class benefited from the introduction of a racialized division in the laboring population also continued to help investors and entrepreneurs make profits under the capitalist regime that emerged in the United States from the 1800s on. This benefit to capitalism helps to explain the persistence of racial inequality and systemic race discrimination.

Thus capitalism in the United States was racialized from the beginning. Although systems of racial inequality vary from country to country, and have their own dynamics, here, in the US, racial inequality is not really separate from capitalism.

Anti-Racism and the Working Class

As I've said, American society continues to be rather segregated in various ways—in the churches, the schools, and the neighborhoods. But in recent decades, as the non-white proportion of the workforce has grown in many industries, the workplace has become one of the more integrated places in American society. In any workplace, rebuilding unionism in a worker-to-worker way would mean creating and improving connection and solidarity among this diverse workforce.

A renewed unionism that can build social power for working-class people today needs to have an anti-racist character. Building unionism means getting people to come together around a common purpose—i.e., supporting each other in resistance to the authoritarian power of management. Building solidarity among a large and diverse group of people requires building mutual support across their differences.

One dimension of solidarity is getting people together to support a common agenda. There are a variety of possible aims or social changes that working people could fight for which would benefit the working class in general. Many of these would benefit, to an even greater extent, the Black and Latino populations of the working class. Examples are the on-going

struggles to raise the minimum wage and for a free or inexpensive system of universal, non-profit public health care (such as Medicare for All). As well, equalizing per-student funding (and actual school conditions) in primary and secondary schools would be especially beneficial to the children of working-class Black and Latino parents.

Rebuilding unionism itself is the most basic and fundamental way working-class social power can be increased. This is the main way to address the current discontents from work—despotic management power, overwork, arbitrary schedules, inadequate pay. And this working-class power can also be used for broader change in society.

A renewal of the fight for a shorter workweek with no loss in pay would be highly beneficial for the less advantaged segments of the working class because it would force a “distribution of work and income” by sharing the available work among the working class—reducing unemployment. Since the early ’70s wages have hardly risen despite the 80 percent increase in labor productivity. This is the secret to the vast increase in the wealth of the “one percent.” This higher productivity makes a shorter workweek economically feasible—such as the twenty-eight-hour workweek being fought for by the German metal workers union.

These kinds of gains would especially benefit the poorer segments of the working class—and thus would especially benefit the Black and Latino working class. This approach to fighting racial inequality is favored nowadays by some Black academics such as Cedric Johnson and Adolph Reed Jr.

Although building support for common class-wide goals is an important aspect of building class-wide solidarity—and reducing racial inequality—it is not sufficient as an anti-racist strategy.

A second dimension to class solidarity is suggested by the slogan “An Injury to One is an Injury to All.” There are various grievances or “injuries” that are specific to particular sub-groups of the working class—immigrants, nonwhites, women, queer people, and so on. This can give rise to struggles around those grievances. Solidarity means building support among other sub-groups of the working class.

Often struggles of this sort can galvanize broad support, as when a workplace strikes to get a racist or sexist supervisor fired. A recent example of this was a strike by workers at a Target in New River, Virginia. The workers demanded the firing of a store manager who was notorious for

sexual harassment.⁴¹

Struggles around anti-racist issues can happen in a particular workplace, or around a larger community issue, such as police brutality, or social intimidation by racist or fascist sub-groups in the local society. For example, a union can form an anti-discrimination committee to bird-dog hiring and promotion practices. Another example: at times unions and other social organizations have built defense committees to fight organized racist violence in a particular city. Another example of an anti-racist issue in workplace struggles has been the effort to replace seniority limited to a particular department with industry-wide or plant-wide seniority, so that Black or Latino workers can use their seniority for access to better jobs.

Anti-racist issues have also come to the fore in various community struggles in recent years—as in the demand to get police out of schools, to de-criminalize truancy, to convert drug use into a health issue rather than a police issue. The various demands to “disband and disarm” the police who act as an “army of occupation” over communities also highlights the struggle against the vast expansion of police in recent decades—with police budgets in the United States growing by 170 percent since 1980.

Although racial inequality and racialized patterns in American society benefit the capitalist and bureaucratic control classes, the racist form of oppression is distinct from the class oppression common to working-class people. Racialized practices in American society have their own dynamic and this means that racist politics and practices have to be fought—by countering racist arguments and ideology as well as by building solidarity around the grievances of racialized groups of the population. Nonetheless, anti-racist struggles that occur among a multi-racial working-class population are not *separate* from the reality of class oppression and class struggle but are an aspect of the struggle of the oppressed class.

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Chapter Three: Working More Now but Enjoying It Less?

Workers often try to find short cuts in doing the work so as to gain a breather or a bit of time for themselves. Breaks are also recommended for health reasons—for example to avoid overuse injuries such as carpal tunnel syndrome in the wrists. From a capitalist point of view, however, any moment when the worker isn't producing for the firm is “waste.” The so-called “lean production” techniques introduced and refined by firms since the 1980s have been crafted to eliminate as much of this “waste” as possible, driving a more intense pace of work.

A recent study of work intensification found that:

- Breaks during the weekday fell by 30 percent between the 1980s and early 2000s for men, and 34 percent for women.
- The total time spent in breaks declined by 20 percent for men and 27 percent for women.
- Total break time declined from 13 percent of the workday in the '80s to 8 percent in the early 2000s.

Kim Moody summarizes the situation this way: “Within the average eight-hour day capital gained approximately 24 minutes or almost half an hour of extra work at no extra cost in wages, benefits, or employment taxes!”¹

Work intensification is a key part of the management strategy of work re-organization and technological change that enabled American firms to avoid increasing the number of jobs in manufacturing and other areas even while increasing output over the past forty years. Work re-organization and new technology are more important than offshoring of jobs as an explanation for the decline in the percentage of jobs in manufacturing since World War II.

Tighter Monitoring

Use of information technology for monitoring is another aspect of increasing the pace of work. An example is the use of monitoring in some

large warehouses: when a warehouse worker is assigned to pick various products for a shipment, that individual may figure out how to do this more efficiently so as to have a bit of time before they get another assignment. But tracking technology is now used to directly assign the next task once a shipment has been made up.

In 1989, the Massachusetts Coalition on New Office Technology conducted a survey of employee opinion on monitoring. About seven hundred workers at forty-nine companies participated in the survey, and of those surveyed, 80 percent said that monitoring made their jobs more stressful. Nearly two-thirds said monitoring was used as the basis of disciplinary actions and a similar percentage said the monitoring made it hard to go to the bathroom. Monitoring made it harder to do a quality job, according to 68 percent of the responders.²

Use of information technology for tracking and monitoring has grown tremendously since the 1980s. When the Congressional Office of Technology Assessment studied electronic monitoring in 1987, they found that this affected only 7 percent of the American workforce. By 1993, this had almost tripled to 20 percent of employees, according to a *MacWorld* survey. From 2001 to 2003, the proportion of employers doing workplace monitoring rose from 78.4 percent to 92 percent, according to the American Management Association.³

Use of information technology (such as GPS tracking devices) to monitor workers when outside of the office or worksite is common. The hand-held computers used to track performance of UPS and FedEx package delivery drivers are an example of this.

“Scientific Management”

Firms constantly work to reduce the number of worker hours per unit of output because the reduction in labor expenses per unit is the key to making profits. But there is a conflict here: when firms hire workers, they are renting our capacity for work, but employers and workers disagree about how and to what extent these capacities are used. Tighter supervision and a more intense pace of work generate stress, which is as much of a threat to a worker’s health as are exposures to dangerous chemicals. Workers have an interest in an easier pace, a safer work environment, time for social interaction with colleagues, less intense supervision, and more opportunity to learn and apply skills.

Worker resistance to exploitation has spurred the development of

management strategy and tactics for controlling workers. Over the course of the past century, corporations systematically developed and applied techniques of work organization and job design that enable them to intensify the pace of work and require fewer workers with scarce skills that require higher pay.

Back in the early 1900s, a number of “efficiency experts” like Henry Ghent and Frederick Winslow Taylor developed an approach they called “scientific management.” By the 1920s, this had become standard practice among American corporations, and became the basis of the occupation called “industrial engineering.” Although the “scientific management” label is no longer in fashion, contemporary “lean production” methods are simply the latest twist in the history of “scientific management.”

Two ways that “scientific management” tries to cut labor expenses are:

- Shortening the total work time to produce a product, and
- Reducing the numbers of skilled workers, and replacing them wherever feasible with people who possess only the average skills (such as the ability to read) that almost any worker would possess.

According to Frederick Winslow Taylor, the “task idea” was key to efficiency. Work would be analyzed as discrete steps, and each would be carefully examined to determine how long it takes for each task. Taylor’s ideas are thus associated with the use of a stopwatch to time the work. If a skilled worker is performing a relatively simple task that could be done by a person with less skill, then a separate job might be created, and someone would be hired to do that task without also doing the tasks requiring the more extensive expertise of the skilled technician. Because a less skilled person could be hired at a lower wage, it would reduce the company’s wage bill.

And if one company gains an advantage this way, their reduction in costs per unit will put their competitors under pressure to adopt the same methods. Over time, as this approach ripples through the economy, it creates more and more dead-end jobs, with reduced opportunity for personal learning or development of skills.

A second aspect of “scientific management” is separating from the workers the conceptual, planning, and decision-making tasks to the extent this is feasible. Instead of relying on the craft knowledge of the workers, “all possible brain work,” Taylor wrote, “should be removed from the shop and centered in the planning or lay-out department.” Management should start

by gathering “all of the traditional knowledge which in the past has been possessed by the workmen.”⁴

“The work of every workman,” wrote Taylor, should be “fully planned out by management . . . not only what is to be done, but how it is to be done and the exact time allowed for doing it.” Separating out planning and conceptualization and decision making from the work was a strategy for management gaining more control over how the work is performed and how much time it takes to do the work.

The “scientific management” movement of the early 1900s was a break from the management practices of the 1800s. In that earlier era of capitalist development, a company that owned a factory acquired the equipment, hired supervisors to enforce a diligent work effort, set the length of the working day, and marketed the product. In that scenario, employers were heavily dependent on the craft knowledge of the workers they employed.

Frederick Winslow Taylor described the then-existing system of management as one where “each workman had become more skilled in his trade than it is possible for any one in management to be, and that, therefore, the details of how the work shall best be done must be left to him.”⁵ As the IWW’s Big Bill Haywood put it: “The bosses’ brains are under the workman’s cap.”

With the emergence of “scientific management,” the corporate reorganization of work also led to changes in the technology used in industry. In the 1800s, technology had been based on craft tradition, which had been handed down among craft workers as various rules of thumb and pieces of practical know-how. Technology, based on the skilled crafts, was replaced by engineering, based on an education in scientific knowledge. In theory, worker craftsmanship could have been transformed by making education in applied science broadly available. Skills of workers could have been upgraded. But “scientific management” was incompatible with that sort of transformation of the workforce.

Skilled workers weren’t the only target of the “scientific management” movement. In the years before World War I, Taylor’s principles were being applied to the management of less skilled workers such as machine operators in various large-scale manufacturing industries. People who work together over a period of time and cooperate in getting work done tend to develop a certain informal group solidarity. From his experiences as a foreman, Taylor was aware that this cooperation among workers could

enable them to act as a brake on management control and slow the pace of work. Taylor proposed to break up this group solidarity and increase management control through various tactics.

To reduce the need for worker initiative and group cooperation, Taylor proposed that workers be given very detailed instructions. He proposed forms of work re-organization to reduce socializing. Workers who resist speed-up would be ferreted out and fired or isolated. Piece-rates were introduced to encourage competition. For Taylor, the only form of worker cooperation would be obedience to the management chain of command.

Speed-up and multi-tasking were major tactics applied to less-skilled workers. In a pattern that would be repeated in later episodes of work intensification, the early uses of “scientific management” between 1909 and 1914 often provoked major strikes.

In the Paterson, NJ silk industry, workers were driven to desperation by the introduction of a “multi-tasking” system where they were responsible for tending multiple silk-weaving machines. Speed-up was also an issue in the Lawrence, MA textile strike of 1912. A major strike among rubber workers in Akron, OH—another IWW strike—was also provoked by inhuman speedup.⁶

Control Through Scripts

Taylor’s approach for controlling the way the work is done was to provide elaborate written instructions. This is still a tactic in today’s “lean production” playbook. Lean production was first introduced in Japanese auto factories, and then brought to the American auto industry in the 1980s. Simon Head’s book *The New Ruthless Economy* discusses his visit to the main Nissan engine and assembly plant in Europe: In the spirit of Frederick Taylor, each worker at the plant was given a “bluebook” with a very detailed description of how to do the job. For example, “Unit of factor action: extend the right hand, pick up screw, insert through seal.”

This technique is not particular to Japanese-style auto factories. To illustrate this, the work manuals provided to UPS package delivery drivers give precise descriptions for dozens of actions. For example: “Turn ignition switch off and remove the key with one hand; engage the emergency brake with the other;” and “The pen is kept in the left shirt pocket (for right handers) and never left with the clipboard or placed in another pocket.”

The hospitality industry is an area of the service economy where this same technique is used. I talked with Sean, a worker for the Hyatt Hotels

Corporation, to see how this played out at the Hyatt Fisherman's Wharf in San Francisco. Sean had worked for several years as a server at Knuckles, the hotel's restaurant.

Hyatt's corporate offices had put the staff of the restaurant through several weeks of training a couple years before our talk. Like the "bluebooks" at Nissan auto factories, the trainers provided each category of worker—server, cook, restaurant host, bartender, and so on—with a binder with detailed scripts for how to do each task.

Servers were told that they "had to approach the customer two minutes after they sit down." They were given a script for what they were to say, and their talk had to take one minute. "You had to give your name, and ask if they'd been to the restaurant before," Sean said. You were required to give "your own personal recommendation from the menu. They called this 'authentic hospitality'. . . . Like you're their friend." An entirely scripted set of words might seem the opposite of authenticity, but "they had no sense of irony," Sean said. He told me that he didn't follow the script when managers weren't watching. He felt this was a matter of his "personal dignity."

The detailed instructions also covered exactly where each type of food item was to be placed on the table. "Place sodas at 2 o'clock in relation to the guest" might be one type of instruction. Sean said the instructions for various tasks were so exact that "violating the standards was inevitable. And then they'd have a reason to mess with you if they wanted to."²

Up Against Fordism

One of the first firms to be transformed by "scientific management" was the Ford Motor Company. In 1910, before the transformation of the Ford production process, skilled trades had a majority (54 percent) of the jobs at Ford. A car would be assembled from the frame up through the addition of various sub-assemblies. Teams would rotate to the next position as soon as their car had been taken the whole distance to finished product. As socialist auto worker William Logan described it, "The work was performed by skilled mechanics, who were masters of their various trades and who did their work from the bottom up, so to speak."³

Ford engineers began the re-organization of the work process in 1912 with the manufacture of the parts or sub-assemblies. The previous method of manufacture had relied on skilled machinists using multi-purpose machine tools such as lathes and milling machines. To convert castings into

a finished part, a worker might move about from one machine to another in a machine shop.

Ford's new system of "progressive production" re-organized the layout of the machines to follow the physical sequence of steps. Single-purpose machines and fixtures were developed so that a relatively simple operation could be done repetitively in a single location by a less skilled worker. Gravity slides and conveyors were used to move parts from one step to the next.

In re-organizing the work, Ford engineers put to use Frederick Taylor's method of time and motion studies to analyze the time each task might take. For example, pistons were initially assembled by a single worker from rods and piston heads through a series of steps. When the engineers timed the various steps, they discovered that workers spent four hours of a nine-hour day just moving about. Engineers re-organized piston assembly with workers in stationary locations and the work divided into simple steps done by separate workers.

In 1913, assembly of cars in stationary locations was replaced with moving assembly lines like those of the meat-packing industry. Beginning in the late 1800s, mid-western meatpackers used assembly lines to move cow and pig carcasses through the stages of "disassembly" in their plants.

The Ford "progressive production" scheme meant that all the steps of production, from parts to finished car, were organized in a straight line so that the various sub-assemblies arrived with the minimum of human handling at exactly the point where they were to be added to the car. The reorganization consciously aimed to create simple, de-skilled jobs that could be done by people who lacked the traditional craft skills of the old assemblers and machinists. The re-organization also used the physical equipment—such as assembly lines—to impose a very intense pace of work.

Although Henry Ford claimed his "progressive production" methods were entirely new, in reality his methods adhered fully to "scientific management" principles. Ford's engineers conducted time and motion studies of thousands of distinct tasks. In his extensive use of machines to pace the work, Ford's "progressive production" system went beyond Frederick Taylor in an important way. Thus this combination of "scientific management" with mass production and machine pacing could be called *Fordism*.

But Ford management quickly realized that it faced a new problem in

worker resistance to the more intense production pace and mind-numbing repetitiveness of the new routines. At that time, other automakers hadn't yet adopted Ford's methods, and even before the introduction of the assembly line in 1913, workers began deserting Ford. "With the coming of the assembly line," Keith Sward writes, "their ranks almost literally fell apart; the company soon found it next to impossible to keep its working force intact, let alone expand it. . . . Ford Motor Co. had reached the point of owning a great factory without having enough workers to keep it humming."²

The turnover for the year 1913 was 280 percent. Toward the end of 1913, for every hundred workers Ford needed, the company had to hire 963 to make sure it would have enough people on hand.

One worker described the new regime:

Workers cease to be human beings as they enter the gates of the shop. They become automatons and cease to think. They move their arms spontaneously to and fro, stopping long enough to eat in order to keep the human machinery in working order for the next four hours of exploitation. . . . Many healthy workers have gone to work for Ford and come out human wrecks.¹⁰

To deal with the worker discontent, Ford tried job rotation. Management's theory was that this would reduce monotony and enable workers to gain a better sense of the whole process. At first workers were enthusiastic, but after they'd shifted jobs, they began to realize that one fragmented, de-skilled job was like any other. It didn't open up any opportunity to learn new skills. If that was the way it was going to be, workers decided they preferred to just stick with a familiar routine.¹¹

The "Blue Collar Blues"

"Scientific management" had become standard corporate practice by the 1920s—in both the emphasis on increasing the pace of production as well as de-skilling the workers. The growing competition in the capitalist world market in the 1960s and '70s eventually provoked a new focus on use of new technology and ways of intensifying work. Unions had an inadequate response.

After World War II, the unions in industry in the United States became more bureaucratized and stepped grievance systems were adopted, which took disputes away from the shop floor. As paid leaders became more focused on negotiating private welfare states and seeking partnership with

management, there was less attention to building the struggle over actual conditions in the workplace.

With the introduction of new technologies and work re-organization, this eventually led to both internal dissent in the unions as well as wildcat strikes over working conditions. The 1972 wildcat strike at the General Motors auto factory at Lordstown, Ohio, illustrated the strife—and was reflected in media stories about the “blue collar blues.”

In 1979, the *Harvard Business Review* published a report on discontent among American workers. The report was based on comparisons of surveys among approximately 150,000 managerial, clerical, and hourly employees in 159 firms in eighteen different industries. The surveys were conducted between the 1950s and '70s by Opinion Research Corporation (ORC), an outfit that advised employers on how to get more work out of their employees.

The study found that workers in the 1970s were much more unhappy and bored with their jobs than at any time in the previous twenty years:

- Only 21 percent of “hourly” workers say that the company is a better place to work than it was when they started there,
- Only 17 percent of clerical and hourly workers say that the company “does a good or very good job of being fair in its dealings with them” (compared to 33 percent of hourly workers and 67 percent of clericals in the late fifties),
- Only 36 percent say that the “company treats them with respect,”
- Only 21 percent say that the “company does a good or very good job of doing something about the employee’s problems and complaints.”¹²

Job satisfaction is related to issues like pace of work, the intensity of monitoring, and the kind of control people have on the job. When a person has more freedom, can use more initiative and skill, and do more varied tasks, the job is more interesting. Control is also related to safety. The recent national strike at oil refineries was over the right of refinery workers to shut down a maintenance operation if they believe it’s not safe. This is a struggle over control.

“Lean Production”

The drive for increasing work intensification in recent decades is tied to the introduction of lean production, a new form of scientific management that strongly influenced by methods developed by Japanese auto companies

in the 1980s.

McKinsey Global Institute is a research arm of a major management consulting firm. In their 1993 study *Manufacturing Productivity*, McKinsey described and recommended the methods pioneered by Toyota and the other Japanese auto manufacturers. McKinsey found that Japanese manufacturers had a 16 percent lead in productivity over the Detroit big three auto companies, and a lead of 23 percent in auto parts manufacturing. The Japanese industrial engineers and managers who had worked out their particular approach thought of themselves as working in the tradition of Frederick Taylor and Henry Ford.

The Japanese approach is called *kaizen* or “continuous improvement.” This approach includes the use of work teams and suggestions from workers, but the use of teams has led to misleading descriptions such as this one from *Business Week*:

Such team-based systems, perfected by the Japanese car makers, are alternatives to the “scientific management” system, long used in Detroit, which treats employees as mere hands who must be told every move to make.¹³

Simon Head’s book *The New Ruthless Economy* discusses the Japanese production system. Attached to each job at Japanese-style auto plants is a Time Allowed for Completion (TAC), which was seventy seconds at the Nissan plant Head visited. Layered on top of this starting point is a campaign to continually shorten time to do tasks. This is the meaning of “continuous improvement.” Here we see work intensification as a continuous process.¹⁴

Frederick Taylor understood that workers gained practical expertise from doing their jobs, and often had more knowledge than management about various aspects of the work. For Taylor, it was essential that management should gain this knowledge. Early “efficiency engineers” seemed to assume this could be done as a one-time event by closely studying the way workers did their jobs. Jobs might be changed over time but this would be the result of the industrial engineer’s on-going study of methods of work—in their search for ways to reduce required work time.

Later advocates of “scientific management” came to realize that workers are always learning new things about their jobs. Thus work teams were seen as a method for vacuuming workers’ brains to find out about shortcuts or other ideas that could be used to lessen costs—a kind of “participatory”

Taylorism.

Multi-tasking

Another feature of “lean production” is so-called “multi-skilling.” This can refer to two different sorts of situation. It may mean that jobs are re-designed so that a number of different tasks formerly done by different people are loaded onto a single worker to do; or it may mean that workers are trained to do a variety of jobs, so that they can be more readily moved from one job to another, as part of the “management by stress” approach.

At the European Nissan plant studied by Simon Head, there was a clear distinction between the so-called “multi-skilled” workers and the sort of jobs that are called the “skilled trades” in the United States—tool and die makers, electricians, pipefitters, and the like. People in skilled trades jobs at Nissan typically would have gone through a multi-year training program equivalent to a German-style apprenticeship or an equivalent technical school program. At the Nissan plant, these skilled trades jobs were only 9 percent of the workforce—fewer than at Ford’s Highland Park plant in 1914.

All of the Japanese auto manufacturers continuously aim to reduce the size of the skilled trades. In some cases, they do this by out-sourcing machine maintenance or repair to subcontractors. Thus the description “multi-skilled” is misleading. The various tasks that made up the job did not require any special skill beyond what a typical or average worker possessed or could easily learn. Nissan managers told Head they attached “little or no importance” to technical or educational qualifications except for people in the skilled trades.

The idea of *kaizen* or “continuous improvement” is a constant search for a faster pace of work, reducing time to get the work done. And loading more tasks onto a single worker can be a form of speed-up. Contrary to what business pundits say, so-called “multi-skilled” jobs are not a repudiation of old school Taylorism or “scientific management.” “Scientific management” tries to reduce labor expenses and worker leverage by reducing skill requirements of jobs. So-called “multi-skilled” jobs are consistent with this because the various tasks or jobs are designed to require the lowest feasible skill level.

Workers may be forced to work overtime in busy periods, so that a company can increase its output without committing to additional permanent hires. Temps and part-timers are another tactic for flexibility.

Managers can simply not renew contracts for temps if sales drop.

Extensive use of out-sourcing is another aspect of “flexibility” under “lean production.” In a slack period or a period of financial retrenchment, work done by outside contractors can be simply eliminated, and work might be shifted in-house. A recent application of information technology is the use of “labor scheduling software” to decide how many hours to give people each week. Industries like retail and restaurants are subject to fluctuating customer volume day to day—and this is where labor scheduling software is being applied. This gives the employer the “flexibility” to reduce its wage bill if there is a drop in demand, but this means workers can never be sure how many hours they are going to work. “Flexibility” for the employer means insecurity for the employee.

“Just-in-time” delivery of products is another aspect of the lean production regime. Parts at an auto factory are timed to arrive by truck just as they are needed. Close tracking of sales trends is used by big box retailers to time their orders to arrive just as they are needed for stocking shelves. To some extent the firms are using the big rig trucks as “moving warehouses” that hold their inventory. Again, the idea is to reduce “waste”—by reducing stockpiled inventory or storage space. Holding items in storage—and the storage space itself—are costs that firms try to squeeze.

Trampling of Positive Freedom

The practices of “scientific management” follow directly from the logic and structure of the capitalist regime. Intensifying the pace of work means greater output per worker hour, and thus lower wage costs per unit of revenue from sales. Firms do this because of the competitive drive for profit, and they *can* do it because of their control over management of production.

Wherever possible, management also tends to reduce the skill or knowledge requirements of the work, and concentrate needed expertise into a smaller number of people. This is done both to gain greater control over the labor process as well as to reduce the wage bill and training expenses. The result is that opportunities for learning skills are limited, and people are denied the ability to develop their potential.

These are aspect of capitalism’s quashing of the positive freedom of the working class. In chapter one, I discussed positive liberty as necessary for natural justice. The trampling of worker positive freedom makes capitalism a regime of class oppression. The lack of control over our work, the failure to develop skills, and the denial of the potential for learning through

planning and the control of production are ways that capitalism systematically blocks the positive freedom of the working class.

The effect of capitalist workplace management on health is another aspect of the destruction of positive freedom. Maintaining your health and preventing disabling injury or disease is necessary to your ability to pursue your chosen path in life. Thus your freedom can be adversely affected by injuries or illnesses from work. The capitalist workplace is in fact dangerous to our health. To the extent firms can avoid paying for costly protections to worker health, they can make more profit. Both intensified pace of work and long hours of work can lead to more accidents. The more pressure a person is under, the greater the temptation to cut corners to get work done. If a person has worked long hours, they are likely to become less alert and may be more prone to injuring themselves in the course of work.

When capitalist firms make decisions about the technologies to employ or the way work is organized, this decision-making process is not simply a “class-neutral” search for the most efficient method. There are always different paths available for devising and putting to use new methods and technologies. As long as the capitalist regime remains in place, the search for power and profit of the dominating classes shapes the decisions. If the economic system was controlled by the working class—if workers collectively controlled the industries where we work—we’d see different priorities and goals. The path of change in work organization and work technology would be quite different.

1. Moody, *On New Terrain*, 15–16.

2. Cited in Simon Head, *The New Ruthless Economy* (New York: Oxford University Press, 2003), 108.

3. National Workrights Institute, *Privacy Under Siege: Electronic Monitoring in the Workplace*, http://www.workrights.org/issue_electronic/NWI_EM_Report.pdf, 9.

4. Quoted in Harry Braverman, *Labor and Monopoly Capital* (New York: Monthly Review Press, 1974), 77–78.

5. Frederick Winslow Taylor, *Scientific Management*, quoted in Braverman, *Labor and Monopoly Capital*, 81–82.

6. Mike Davis, “The Stop Watch and the Wooden Shoe: Scientific Management and the Industrial Workers of the World,” *Radical America*, January–February, 1975, 69–95.

7. Author interview with Sean Abbott-Klafter, September 3, 2009.

8. Quoted in Stephen Meyer III, *The Five Dollar Day: Labor Management and Social Control in the Ford Motor Company, 1908–1921* (Albany: SUNY Press, 1981), 48.

9. Keith Sward, *The Legend of Henry Ford*, 1948, quoted in Braverman, *Labor and Monopoly Capital*, 102.

10. Quoted in Meyer, *The Five Dollar Day*, 40–41.

[11.](#) Ibid., 42.

[12.](#) M. R. Cooper, B. S. Morgan, P. M. Foley, and L. B. Kaplan, “Changing Employee Values: Deepening Discontent?” *Harvard Business Review*, 1979, <https://hbr.org/1979/01/changing-employee-values-deepening-discontent>.

[13.](#) Quoted in Mike Parker and Jane Slaughter, *Working Smart: Union Guide to Participation Programs and Reengineering* (Detroit: Labor Notes, 1994), 27.

[14.](#) Head, *The New Ruthless Economy*, 47.

Chapter Four: You Call This a Democracy?

Based on the meaning of its Greek roots, the word *democracy* (*demokratos*) should mean “people power” or the collective power of the masses to control public affairs. Although the United States is called a “democracy,” the government works to defend the interests of the dominating classes and to protect the capitalist system.

This was illustrated in a recent study by two Princeton researchers, Martin Gilens and Benjamin Page, who did an exhaustive analysis of almost two thousand proposed policy changes at the federal government level. Their analysis showed that “the majority does not rule—at least not in the causal sense of actually determining policy outcomes.” In all cases where majority opinion clashed with the views of the wealthy elite and organizations representing business interests, majority opinion will “generally lose.” The effect of popular opinion is effectively nil. The policies adopted at the federal government level tend to reflect the wishes of the wealthy and of business organizations.¹

A large part of the working class seem to be aware of this. As such, many working people don't vote because they don't think the politicians are going to act in their interests. In the 2016 American presidential election, for example, about 45 percent of eligible voters didn't vote. As a group, non-voters are not the same as voters. Non-voters tend to be poorer, more predominantly working class. Surveys of what policies they would prefer show that non-voters are more likely than voters to prefer government action that would benefit poor people—“guarantee jobs,” raise the minimum wage, and pursue other policies in the interests of working-class people.²

What is the State?

Elections and elected politicians are only one aspect of the US government apparatus. There are also judges, prosecutors, police, and prisons at all levels. The federal government alone has many armed police bodies—FBI, Immigration and Customs Enforcement, Indian Affairs police, DEA, ATF, and all the various “national security” agencies such as

NSA and CIA. There are the vast military forces with hundreds of bases around the world. At all levels of government there are numerous regulatory agencies—from the Environmental Protection Agency to the state public utility commissions and the local building departments. And there are all kinds of public services—from the U.S. Postal Service and Social Security Administration to state universities, county hospitals, and local transit and school systems.

If we take all these various institutions at all levels, this is the US *State*. The various state institutions are structured internally with a chain of command and decision-making authority concentrated in the hands of a few. State institutions thus have a similar bureaucratic structure to corporations. Public sector workers are subject to bosses, just as workers are in the private sector. The state provides a material base for the bureaucratic control class in various roles—as legislators, executives, administrators, prosecutors, school principals, army officers, judges, prison wardens, and so on.

The State is built in a way that freezes out the masses from having much effective control over what the government does. People may vote to elect legislators or governors or presidents, but what control do we have after they are elected? Even when the right of recall exists, it is very difficult to undertake and is rarely used. Politicians do not have to come to local assemblies to report back on their work and get our approval for their decisions. We don't have the right to hold neighborhood assemblies to overrule what the politicians have done. The elected officials are a kind of elective oligarchy. The various bureaucracies of the State of course continue to exist and do their work across electoral cycles and changes in elected officials.

The State's internal class structure and its separation from direct popular control make it well suited to carrying out its social function: the defense of the interests of dominating, exploiting classes. As I see it, the usefulness of the State for defending the interests of these classes in the past explains *why* the State has continued to be reproduced in some form. This is why I say that this is the State's "function."³ This idea has a certain history among radical writers; as Russian libertarian socialist Michael Bakunin put it: "The State has always been the patrimony of some privileged class: the priesthood, the nobility, the bourgeoisie, and finally, after every other class has been exhausted, the bureaucratic class."⁴

The state's bureaucratic structure, which concentrates power into the hands of a few, is essential for the ability of the State to serve this function. As Frederick Engels put it, this structure makes the State “estranged” from society. In *The Origin of the Family, Private Property and the State* Engels notes two historical features of States:

- The State is a “power apparently standing above society” and “estranged” from it, possessing a “public force” of “armed men”—police, army, prisons.
- “In order to maintain this power, contributions from the citizens are necessary—*taxes*.”

“In possession of the public power and the right of taxation,” Engels writes, “the officials . . . present themselves as organs of society standing above society.” Because this “public power” is beyond the reach of control by the people, it provides the dominant class in society with an institution for “holding down and exploiting the oppressed class.”⁵

States have not always existed. Humanity had existed for tens of thousands of years in societies without being controlled by a state-like structure. These earlier human communities may have had the ability to govern themselves and make decisions for their tribe or community. This is why it would be a mistake to define the State as simply public institutions of governance through which the society decides the basic rules of that community.

Writing in the 1890s, Peter Kropotkin argues that a community's governance of its affairs is not the same as the State:

The State idea means something quite different from the idea of government. It not only includes the existence of a power situated above society, but also of a *territorial concentration* as well as the concentration *in the hands of a few of many functions in the life of societies*. It implies some new relationships between members of society which did not exist before the formation of the State. A whole mechanism of legislation and of policing has to be developed in order to subject some classes to the domination of others.⁶

The ability to exercise social *coercion* is also not what is unique to the State. The Iroquois (Hodenosione) Confederation in North America is an example of a non-state polity, or governance system—called the “Great Good Way” by the Iroquois. By the time they first came into contact with Europeans in the 1600s, this system was well-developed. There was no State

apparatus—no professional police or military or paid bureaucracy. If a tribe or the Iroquois federation went to war or engaged in an armed action, it would have to be carried out by “a self-acting armed organization of the people” (in the words of Engels). In other words, the men of the tribe would have to do the fighting themselves. States, on the other hand, have paid “armed bodies” that answer to rulers at the top. There was also no class division in Iroquois society. The land of an Iroquois village was owned collectively.

The Iroquois system of social governance did, though, have the ability to use coercion. The clan was held accountable for the actions of its members. If there was a particular member of a clan who was constantly getting into trouble or killed someone in a neighboring community, the clan might kill or banish that person.

In *Community, Anarchy and Liberty*, Michael Taylor argues that coercion would be inevitable in a society without either the state or class division because some element of collective coercion would be needed to avoid “free rider” problems. We can see what he means by looking at the Iroquois communal food provision system, which was run by the women of the village. If a woman were to take her share of the communal harvest without sharing the burden of the work in the fields, she’d be “riding for free” on the work of the other women. If one can do this without consequences, it encourages others to do likewise. To make sure that didn’t happen, women were actually under threat of being denied their share of the harvest if they didn’t do their share of the work in the fields. That is coercion.

The German sociologist Max Weber once proposed to define the State as an institution having “a monopoly on the legitimate use of violence.” A monopoly over violence is a *necessary* feature of states, but the Iroquois pre-State society shows that this is not *sufficient* to define the State. So, it would be a mistake to define the State simply in terms of “governance” or the ability to exercise collective coercion. These can exist in a form of polity or social governance system that isn’t a State.

How the Top Class Controls the State

The capitalist elite do not always see eye to eye, but their political views do tend to come together around their class interests. The capitalist elite are permanently organized to defend and promote their interests twenty-four hours a day, seven days a week. They have PR agencies and class organizations to act in the public realm to defend their interests—such as

the U.S. Chamber of Commerce and the Business Roundtable.

Their wealth provides them with the means to finance politicians, political operatives, and campaigns. Since the 1970s the wealthy elite in the United States has funded numerous think-tanks to articulate policies that favor its interests and to propose legislation—such as the American Legislative Exchange Council, Heritage Foundation, Cato Institute, Manhattan Institute, Reason Foundation, etc. The creation of these organizations was a key part of the elite initiative that got the political shift to “neoliberal” policies underway over the past forty years.

The wealthy elite and business interests are able to finance permanent lobbies and representatives to attend the many legislative and regulatory commission hearings at all levels of government. The corporate viewpoint is constantly present. The major mass media corporations are owned by members of the capitalist elite and numerous alternative Internet-based media sites have elite financing as well.

Most members of the U.S. Congress are multi-millionaires, and even politicians at the local and state level are often lawyers or others derived from the professional, management, and business classes. Just as the capitalist elite depend on the bureaucratic control class to run their business ventures and think-tanks, this class plays a similar role in the State.

If a particular government jurisdiction should pursue policies unfavorable to capitalist interests, they also have another lever they can use: they can shut down businesses and move them elsewhere. Derailing economic conditions in a jurisdiction is a way to “discipline” politicians who go against capitalist interests.

Marxists have sometimes described the State as a “superstructure” built on top of a capitalist economic base. On this view, the base of capitalist power is the privately owned “means of production” and production technologies. But this metaphor is misleading, as control over the “means of coercion and destruction”—military, weapons technology, police and prisons, and the whole apparatus of state power—is also a base for the power of a ruling or dominant class.

In fact, the State is an essential feature of capitalism. The military and police forces provide a last line of defense for the labor exploitation regime in cases where the working class has developed into a mass force tending towards revolution or seizure of the means of production. This has been shown by the repressive role of the army and police in numerous working-

class insurgencies, from the Russian national mass strike of 1905 to the brutal military takeover in Chile in 1973 and the use of the army to crush a working-class revolution in Spain in 1936.

Class oppression is in the State's DNA. A top-down managerialist hierarchy over public sector workers is built into the State. The State's separation from direct mass control "fits" the State for defense of the interests of dominating classes. This structure also tells us that the working class could not liberate itself from class subordination and oppression by putting leaders of a "socialist party" into control of the State—and using the hierarchies of the State to implement their party program. The failure of "Communism" in the twentieth century drives home this lesson.

In the Russian revolution, the Bolshevik fixation on putting its leadership into control of a central state paved the way for the emergence of a new kind of economy based on bureaucratic class power. In the revolution, numerous workplaces were taken over by workers—with their shop committees replacing management. By 1920 this had been replaced by appointment of managers from above.

At the January 1918 All-Russian Trade Union Congress, the libertarian socialist delegates proposed a new system of economic coordination and planning through a grassroots congress of delegates from the shop committees. The Bolshevik delegates were able to defeat this. Their alternative was the creation of the Supreme Council of National Economy—staffed with professionals, party stalwarts, and bureaucrats. This eventually became the elite Russian planning agency, Gosplan. Through measures like this, State control of the economy evolved into the basis of power for a new dominating class—political functionaries, industrial managers, elite planners, and military officers. The working class remained a subordinate, oppressed class—just as under capitalism.

The Role of the Police

The class role of the police illustrates the way the State acts to defend elite class interests. Professional police forces first emerged in the early nineteenth century, at the time of the new industrial capitalism and a growing working-class population concentrated in cities. The elites were thus confronted with the problem of "managing" a large dispossessed class—with the potential for strikes and riots and social problems associated with urban poverty.

Growth of the police is a part of the massive growth of the State in the

capitalist era.

Like supervisors, cops are often recruited from the working class and they sometimes think of themselves as “working class.” Their work is physical at times, and they may perceive their job as having low status in the eyes of the more affluent segments of society.

Nonetheless, the authority and control they exert over working-class people and the role they play in defending the interests of the dominating classes makes them a part of the bureaucratic control class—along with prosecutors and judges. Police are supervisors of the streets, so to speak. When workers strike, cops “manage” the situation on behalf of the laws and court orders that tend to favor employers.

Police and sheriffs also play a property management role—for example, when they evict working-class tenants or squatters. Working people who drive for a living, such as taxi or truck drivers, are subject to the daily supervisory authority of the police on the roads.

Although police often form unions or associations, these organizations are not authentic working-class organizations. For one thing, they rarely exhibit any solidarity toward—or develop alliances with—other labor organizations. They also tend to have a highly collusive relationship with police commanders. Although they pursue some on-the-job grievances, they mainly serve to defend the police as an institution.

Police unions have come to play an increasingly important political role in US cities since the '60s, an era of mass protests associated with the Black social justice movement, the student anti-war movement, and a high level of worker strikes. Incidents of police brutality and police spying on legal political organizations (such as local police cooperation with the federal government's COINTELPRO effort that attempted to destroy the Black Panther Party) led to proposals for police civilian review boards and other forms of tighter citizen control over the police. With the rise of the Black Lives Matter movement and the protests against police killings of unarmed Black working-class people, proposals of this kind have gained traction again.

When New York City mayor John Lindsay proposed a civilian police review board in 1966, a former FBI agent described the protest organized by the Police Benevolent Association:

Thousands of off-duty policemen in uniform, with service revolvers strapped on and wearing PBA buttons . . . tightly ringed

City Hall and packed its corridors. Many carried signs with such slogans as “What About Civil Rights For Cops” and “Don’t Let The Reds Frame The Police.”⁷

During that era, police unions were a major force in defeating proposals for police civilian review boards in Los Angeles, Denver, Cincinnati, Seattle, Detroit, Newark, San Diego, Hartford, Baltimore, San Francisco, and Philadelphia.⁸ Then and now, police unions rigorously defend officers accused of serious abuse.

Tracking down people who commit crimes is one of the roles of the police—the sort of activity highlighted in TV cop shows. This activity is seen as legitimate and desirable by the population, but it’s only a part of the function of the police. Intimidation and social control of the lower class is also a key role of the police—a role that is important to the dominating classes. A very tight democratic control of policing by the mass of the people would make it harder for the police to carry out this class role.

In chapter two I argued that the inherited scheme of racial inequality in the United States is beneficial to capitalist interests. If the police power—police, prosecutors, courts—has the role of defending a hierarchical social arrangement that works for the top class, they are also likely to defend the racial hierarchy of society as well. We see this in the racially biased conduct of the police and prosecutors, and in areas like sentencing.

A Veneer of Legitimacy

The power of the top class in society is based on its system of pumping profits out of our labor. Defending that system is an essential feature of the State, but the capitalist regime isn’t maintained solely by the police power of the State. Both the broader capitalist media and culture and day to day experience combine to produce a kind of cultural inertia that helps sustain the system. As I discussed in chapter one, capitalism tends to create different mindsets in different classes or social groups because of their day to day activity or role in the system. From their university degrees and their everyday exercise of power in workplaces and government agencies, managers and others in the bureaucratic control class tend to develop a sense of the legitimacy of their power to call the shots. And the day to day subordination of workers can create in us a kind of conflicted mindset that combines resentment with a grudging acceptance of the rules and values of the capitalist society.

Nonetheless, the reality of life in a regime of exploitation and

subordination provides motives for resistance. If the oppressive aspects of a society's institutions lead to a period of mass unrest and active social struggle, it can make it difficult for the state leaders to govern. At its most extreme, internal conflict can threaten the State with civil war or revolution.

State leaders must be able to govern if they are to carry out their role. To keep opposition at manageable levels, the state leaders may try to make concessions to mass opinion in periods of rising social strife. If the system has at least an appearance of legitimacy to masses of the population, this makes it easier to keep the system going because the level of active struggle against it is kept in check. The capitalist elite and government leaders want social stability.

This is why systems of social provision (like the National Health Service in Britain and Social Security in the United States) and regulations on corporate behavior became widespread in capitalist countries after World War II. The capitalist elites in many countries had been forced to grant various concessions to the working class. This change came about because the working classes around the world posed a revolutionary threat to the very existence of capitalism in the years between World War I and the 1940s. At the end of the first world war, there were anti-capitalist revolutions in Russia, Finland, and Hungary. Rising worker radicalism in Italy after WWI led to a vast seizure of industry by a million workers. The country was on the brink of revolution. In 1936, there were widespread workplace takeovers in France. In Spain, a revolutionary labor movement responded to a military takeover attempt in 1936 with a vast seizure of capitalist firms and the creation of a proletarian army to fight the generals. Revolutionary movements were growing in various countries.

At the present time many aspects of the American political economy certainly undermine its legitimacy in the eyes of a lot of people: The widespread workplace autocracy, the ability of police to engage in violence with impunity, decades of low wages, increasing difficulty in finding affordable housing, deaths due to lack of access to affordable health care, and a political system widely out of touch with mass opinion. And with the "one percent" piling up ever greater riches all the while. But the elites at the top aren't going to care how illegitimate their system of rule *appears* unless the working class can create, from below, an effective mass movement that can actually engage in strikes and other disruptions of business as usual—and pose a real threat to elite power.

In the United States, the concessions to the working class were not won by simply voting for Democrats or by relying on AFL or CIO international union hierarchies. These concessions only came about because working-class self-organization and action posed a basic threat to the profits system. A poll in 1932 revealed that a quarter of the US population thought a revolution might be necessary. Between 1933 and 1937, the American working class was being radicalized in the midst of widespread strikes, citywide general strikes, plant occupations, and hundreds of thousands of workers forming new unions. Many employers were forced to negotiate with their workforce and accept on-going worker organization.

When Franklin Roosevelt first became president in 1933, he pursued a conservative policy of aiding business through policies like the National Recovery Administration (NRA), which legalized industry-wide price setting to raise profits. By 1936, the militant working-class mood forced the Democrats to “move left.” This was when the basic framework of the stingy American welfare state was set up.

The concessions won in the 1930s had severe limitations: Social Security payouts were kept low to avoid too much competition with investment plans offered by Wall Street. The Wagner Act introduced government elections for union “representation” to avoid the pitched battles of strikes and encourage “labor peace.” This encouraged workers to look at unions as an individual consumer choice rather than a bond of solidarity and collective struggle. To get the backing of racist southern representatives in Congress, agricultural and domestic labor—major occupations for African Americans in the south at the time—were exempt from these programs, and leaders of the American Federation of Labor lobbied successfully against including an anti-discrimination clause in the Wagner Act.

Some level of concession to mass opinion was a feature of the so-called “New Deal consensus” era that prevailed from the ’40s to the early ’70s. This era saw various increases to the “social wage”—government programs that improve the working-class standard of living, including free or low-cost public colleges, subsidies for public transit fares, and various affordable housing programs (Section 8 vouchers, public housing, etc.).

Powerful capitalist interests were always able to severely limit the welfare state. The banking and real estate sectors have always limited social housing funds in the United States to poor people who could barely find housing in

the capitalist real estate market. With the unions building “private welfare states” employer by employer from the ’50s on, it has been difficult to achieve a public health care system analogous to the British or Spanish systems. The capitalist insurance, hospital, and drug industries formed a powerful coalition to keep a universal public health insurance system like Medicare for All from gaining enough political leverage.

The workings of the state and electoral politics had a certain institutional inertia that kept the “New Deal consensus” intact for a number of years. When the corporate elite began to experience their crisis of declining profits in the 1960s and ’70s, various members of the elite initiated an active campaign to shift American politics to the new era of “neoliberal” austerity politics that has prevailed since the ’80s.

When the Chamber of Commerce distributed Lewis Powell’s memo back in 1971, it revealed that many in the plutocracy believed the American state was failing them. Between 1974 and 1980, an aggressive new leadership of the Chamber of Commerce doubled the number of businesses that were members and began promoting the use of Political Action Committees by wealthy corporate interests.⁹ The Chamber also promoted other tactics that have since become staples of right-wing politics—such as the use of direct mail and the creation of pseudo-grassroots or fake reform groups. This was also when the wealthy elite began funding the network of right-wing think tanks mentioned earlier. The state wasn’t going to *automatically* reverse course.

Regulatory Capture

The corporate elite have often chosen reform as the “lesser evil” to counter an even worse specter. An example is the origin of the various state public utility commissions. In the late-nineteenth century and early 1900s, railroads, streetcar companies, and electric power companies were notorious for their corruption of city and state governments in the pursuit of favorable franchises and public subsidies such as rights of way. This led to powerful movements calling for public takeover. The farmer’s coop movement of the 1890s—the “Populist” movement—had demanded nationalization of the railways as a way to end price gouging in transporting crops. To push aside the demand for seizure of corporate assets, politicians created various commissions to regulate the railroads—such as the California Railroad Commission (now called the Public Utilities Commission) and the Interstate Commerce Commission.

By the early 1900s, there was also a major growth in the movement for public ownership of the streetcar companies (which were a capitalist business then) and utilities such as water, electric power, and telephone grids. The initiative for setting up state public utility commissions came from the National Civic Federation (NCF), which was organized in 1900 by a conservative Republican journalist, Ralph Easley, with the backing of large corporations and banks as well as the support of Samuel Gompers of the American Federation of Labor. The first president of the NCF was Mark Hanna, a wealthy Republican banker and mine owner. NCF had the firm backing of steel industry barons like Andrew Carnegie and Judge E. H. Gary of U.S. Steel, executives in the public utility industry such as Samuel Insull, and other major capitalists of that period.

Emerson McMillin—a banker, director of various public utilities, and NCF member—was worried about the rapidly growing demand for “the overthrow of the system of private ownership of public utilities.” Much as ALEC (American Legislative Exchange Council) does nowadays, NCF drew up “model legislation” with corporate input. Ralph Easley believed that a model public utility regulation bill—giving the appearance of protecting the public—could “play a very important part in preventing any serious sentiment from crystallizing in this country for government ownership . . . of public utilities.”¹⁰

This was the origin of the Wisconsin Public Utilities Commission and laws passed by “progressives” in California to use the Railroad Commission to regulate local utility and streetcar companies. Other states soon followed suit. In 1911, there was a strong movement in Los Angeles to cut the fare on the profitable streetcar system from 5¢ to 3¢, but the Railroad Commission was given power to regulate local transit that year so that initiative failed. Decisions of a distant, appointed body “pre-empted” city action.

Over time, regulatory bodies of this sort tended to be “captured” by the industries they regulated; the members are appointed by politicians who are funded by the corporations. Hearings are distant from the consumers and workers who are affected. The regulatory agencies often employ expert engineering consultants who move back and forth in jobs between the public and private sector, which encourages them to tone down recommendations if they want a cushy job in the private sector.

By the 1970s, the Interstate Commerce Commission (ICC) played this

sort of protective role for the motor freight industry. The industry then was made up of a large number of medium-sized or smaller firms, and competition was moderated by a combination of ICC rate setting and the Teamsters union's National Master Freight Contract, which took wages out of competition. This allowed the trucking industry to maintain a high rate of profit. One of the earliest initiatives of the "neo-liberal" corporate offensive of the last four decades was the drive in the late 1970s to abolish the ICC and de-regulate the trucking and airline industries. The freight industry's "capture" of the ICC worked for them, but many powerful corporations were users of trucking services. They wanted to force the trucking industry into a more intense form of competition to drive down their freight transport costs. De-regulation of the trucking industry led to intensified competition, many bankruptcies, and increased concentration of the industry in fewer firms. It also led to a cycle of "concessions" demanded from the unions by the employers and lower wages in the industry.

The "workmen's compensation" programs of the various state governments are another example of how state regulation is used to protect and shelter business profit making. Between 1898 and 1920, there were waves of strikes and growing anger at conditions. The high level of workplace injuries was a constant theme in radical literature and in popular exposés of industrial carnage, such as Upton Sinclair's *The Jungle*.

Unions were pressing for reform and beginning to make headway with state legislatures. At that time unions and labor radicals were demanding 100 percent compensation for lost wages for injured workers, and laws that would make employers liable for injuries. Large corporations were alarmed by these trends. Juries are unpredictable and companies feared large awards from juries sympathetic to workers. And trials are public. Jury trials would bare the companies' dirty laundry in public and further tarnish the image of business.

As with the state public utility commissions, the initiative for state "workmen's compensation" programs came from the NCF. The state workers' compensation systems were set up in many states between 1910 and 1920, and in most states, benefits are provided through private capitalist insurance firms. To the extent these firms can deny coverage, they can make more profit.

A system of separate, competing insurance carriers means that there are separate claims bureaucracies. The efforts of insurers to market themselves

to employers is another cost. As with the private health insurance scheme in United States, this duplication is an inefficiency. Profits, marketing and administrative costs eat up over 40 percent of revenues from premiums. For example, in California in 2005 only 59 cents of every premium dollar went to benefits under workers' compensation.

The state workers' comp systems were set up to limit expenses to employers while giving an appearance of responding to worker demands. For decades, they have stabilized employers' workplace injury and illness expenses at about 1–2 percent of total payroll expenses. Workers are undercompensated by workers' comp systems through limiting payouts for death and serious injury, under-paying for or ignoring long-term disability, minimizing payments for rehab, denying medical treatment, and short-changing workers for lost wages. In the mid-90s, the California workers' comp system was only covering one-third of lost wages. In many cases people fall into poverty or homelessness due to injuries. Workers may also be subject to harassment or firing if they file a claim for workers' compensation, and many states provide zero protection against firing in such an instance.

When claims for injuries causes a rise in the insurance premium for employers, the class organizations of capital, such as the Chambers of Commerce, push for "reform" to limit payouts by employers. The political clout of business organizations and private insurance firms was demonstrated in the 2004 "reform" of the state workers' compensation system in California. The rules used to rate a person's degree of disability were changed in order to limit payouts. Also, insurers were able to force injured workers into "managed care" or HMO-type healthcare systems, which gave the insurers more control over medical evaluations and treatments, putting the insurers in a better position to deny or limit coverage.¹¹

Profit rates for insurers climbed rapidly while California employers were able to reduce their workers' comp outlays by \$14 billion per year. Thus the "crisis" (for business) of rising workers' comp insurance was "solved" by shifting costs onto injured workers, through denial of care and cuts in payouts. Payouts for long-term disability were cut between 40 and 54 percent, according to a study by the state Commission on Health and Safety and Workers' Compensation.

The "no fault" workers' comp system continues to keep expenses for

work-related injuries and illnesses low, which means that firms tend to treat these injuries and illnesses as merely a cost of doing business. With costs low, it fails to provide adequate incentive for firms to do research and change technologies and work methods in ways that would protect workers.

One way the workers' comp system has protected the employers is through denial of compensation for occupational illnesses due to dust or chemical exposures. The resistance of the workers' comp systems to pay out for occupational illnesses is illustrated by the long struggle of workers and their supporters to obtain coverage for forms of occupational lung disease, such as black lung caused by coal dust in mines.

In the late '60s, coal miners started a major movement to obtain compensation for black lung disease. West Virginia's workers' comp system had denied compensation for years. In 1969, hundreds of miners marched on the state capitol, and closed almost all the mines in West Virginia in a huge wildcat strike. A series of strikes eventually led to changes in the state and federal laws, forcing compensation for black lung. The miner strikes of that era were also part of the movement that led to the creation of the Occupational Health and Safety Administration (OSHA) in the early '70s.

OSHA provides us with another example of regulatory capture. The laws that set up agencies like OSHA are not designed to empower workers to obtain information and take action for their own defense. Instead, we're provided with the option of invoking a distant government agency, which we have little ability to influence. In reality, this arrangement has become a way for OSHA to protect employers, much as the state workers' comp systems have done.

On its website, OSHA claims that great strides have been made in reducing work-related illnesses and injuries since its creation. But it's hard to assess any claim of this sort because the government doesn't have any comprehensive system for collecting accurate data on the extent of the carnage in workplaces.

The responsibility for tallying work-related injuries and illnesses lies with the Bureau of Labor Statistics (BLS), but it's well known that their annual tallies don't even capture the injuries that enter the state workers' comp systems as claims. A study published in the *Journal of Occupational and Environmental Medicine* in 2006 showed that the BLS's annual survey only captured a third of the injuries and 31 percent of the illnesses in six states.¹²

The OSHA law relies on self-reporting by companies, but companies have an incentive to conceal problems. If they report a higher level of work-related injuries, their insurance may go up and their public image suffers. A more independent source of reporting might be the doctors, clinics, and hospitals that treat injured workers. Even that would not guarantee an accurate picture, as many workers lack health insurance and try to avoid medical fees.

OSHA inspections have failed to be an adequate incentive for businesses to improve worker health and safety. Very often OSHA inspectors tell companies the date of their next inspection, giving management the opportunity to clean things up temporarily.

OSHA may tout the occasional large fine, but the reality of OSHA's performance is actually quite dismal. OSHA's budgets for inspections or defense against lawsuits by aggressive employers have been repeatedly cut by the U.S. Congress, acting at the behest of business.

As Lisa Cullen reports in *A Job To Die For*, OSHA has a routine practice of backroom negotiations with management—without notification or involvement of affected workers. In these negotiations, citations are reclassified to help employers cover their asses. OSHA does this even though, by its own law, it is not authorized to do so. The U.S. Congress is aware of these practices and has done nothing about it.

OSHA inspectors can issue citations for known hazards. There are several different classifications of citations, such as “serious,” “repeat,” or “willful violation.” An employer can receive a “willful” citation if they knew about the condition, knew it was against OSHA rules, and knew what the danger was. From a moral point of view, a willful violation that leads to death or injury is, in effect, a case of assault or homicide, but criminal prosecution of employers is very rare.

The OSHA act also provides for a so-called “section 17,” or “unclassified” citation. According to the law, these are supposed to be too minor to be cited as “serious,” “willful,” or “repeat” offenses. However, in backroom negotiations, OSHA area directors agree to deals with management to officially reclassify serious, willful, or repeat violations as “unclassified,” which benefits employers in a number of ways.¹³ Companies are often subject to lawsuits by injured workers or their families, but an “unclassified” citation hides the fact that a violation was in fact “willful,” making it harder for the employer to be sued. Also, hiding serious violations

helps companies to protect their public image and makes it less likely their workers' compensation insurance will be canceled.

In the course of these kinds of negotiations, OSHA bureaucrats also agree to reduce fines. From the point of view of OSHA managers, this sort of practice makes sense because it reduces the number of employer lawsuits they have to defend against with their limited budget. Also, it makes their record look better because they can say more complaints or violations have been dealt with.

Practices like these also reduce expenses to business. The real human costs of work-related injuries and illnesses are certainly not reflected in OSHA penalties. Employers can treat the occasional fines they receive as simply a cost of doing business. As with workers comp, OSHA does not provide an adequate incentive for firms to develop different techniques or work practices to protect worker health and safety. OSHA has thus become a captive of the very industries it was supposed to regulate.

A Constitution Of, By, and For the Elite

The word *democracy* does not appear in the U.S. Constitution, the Declaration of Independence, or the early constitutions of the States created after the war for independence from Britain. Back then the word *democracy* had more of its original meaning: direct participation of the masses in making decisions as in town meeting democracy, or participatory democracy through member meetings in grassroots unions or other community associations. The wealthy insiders who crafted the U.S. Constitution were strongly opposed to democracy in this sense.

Roger Sherman—a delegate at the constitutional convention—spoke for most of the Framers of the Constitution when he said, “The people should have as little to do as may be about the Government.” The Framers’ great fear was that the large population of poor subsistence farmers or a growing population of propertyless wage workers would eventually become large and powerful enough to force changes that would threaten the profits, property, and power of the elite.

Although the U.S. Constitution begins with the phrase “We the People . . .” the Framers did not allow the people to vote on the new constitution—that would be “too democratic,” in their view. The document was submitted to state conventions.

The Constitution benefited the southern planter elite by strengthening slavery in various ways. Under the Articles of Confederation, if an enslaved

person had escaped to a state that had abolished slavery, there was no authority that could return them. This was a matter of serious concern to the southern planter elite. Throughout the colonial period there had been occasional revolts by enslaved people or attempts to escape to the outback. The largest was a revolt in 1712 in New York City in which the rebels looked to a potential alliance with nearby Indigenous tribes.

The U.S. Constitution gave the enslavers what they wanted: The federal government had the authority to return enslaved people. This was underlined later by the Dred Scott decision of the Supreme Court, which authorized federal marshals to capture escapees living in northern states where slavery was illegal.

Various features of the federal state make it an inherently undemocratic structure. The U.S. Senate is an example of this: currently the twenty-six states with the lowest population have—as a group—less than 18 percent of the population of the United States, but they elect 52 percent of the Senators. Even though California has sixty-eight times as many people as Wyoming, it has the same representation in the Senate. This scheme is made even more undemocratic by Rule XX, which requires a vote of 60 percent (it previously required a two-thirds majority) of the Senate to end a filibuster and bring a bill to a vote. This is ready-made for obstruction by entrenched interests. There is nothing in the U.S. Constitution that requires this rule—its origins are in slavery. Southern Senators were able to rely on the filibuster to block any challenge to “the South’s peculiar institution.” During the era of Jim Crow they used it to defend race oppression. In 1938, Senator Theodore Bilbo of Mississippi used the filibuster to block an anti-lynching law. Nowadays Rule XX is most often used as a shield for corporate interests.

When wealthy insiders met in Philadelphia to craft the Constitution in 1787, their aim was to check democratic tendencies that had emerged during the revolution and to create a bulwark to protect elite interests. Their desire to freeze the status quo is clear enough in the absurdly difficult procedures they laid down for any changes to the Constitution.

In the amendment section of the Constitution there is a little known clause that says that “the equal representation of the states in the Senate” cannot be changed unless all the states agree. Because it’s not likely any small state would willingly give up its current advantage, this feature of the Constitution won’t be changed. The United States is, truly, a Frozen

Republic (as Daniel Lazare put it). This rigidity of the Constitution also guarantees that it will inevitably be broken in some future crisis.

A particularly autocratic feature of the American federal state is the way power is concentrated in the presidency. At the point where the federal laws are “executed” or carried out, these powers are in the hands of one person: the President (Article II, Section 1). Despite the talk about supposed “checks and balances” between the “branches of government,” the president has by far the most powerful position. The powers of the executive branch are concentrated in a single person, whereas the legislative branch is divided into two houses with hundreds of quarrelsome politicians. Charles Francis Adams, grandson of John Adams, wrote in 1859: “There can be no doubt that John Adams regarded the constitution of the United States as forming a government more properly to be classed as monarchical than among democratic republics.”¹⁴

In reality, the president is a *de facto* emperor. The president is *generalissimo* of the world’s largest military with effective power to make war on his own—from Woodrow Wilson sending troops to aid an anti-Bolshevik pro-tsarist group in Russia’s far east in 1918 to Barack Obama’s endless drone assassinations. In 1966, President Lyndon Johnson claimed he was under no obligation to even consult with Congress when he ordered the military to attack North Vietnam. The State Department (an arm of the presidency) sent Congress at that time a list of 125 occasions since the ratification of the Constitution in 1788 when the president had unilaterally engaged in military actions or troop movements abroad—beginning with an undeclared war with France in 1798.

The president is CEO of a vast administrative bureaucracy that is under the authority of a single Leader. In those cases where Congress is nominally required to approve appointments for executive departments or agencies, they almost invariably rubber-stamp the president’s appointees.

When the president issues a so-called “executive order,” it is in effect a one-man decree. And these often have very far-reaching effects. For example, it was by executive order that President Franklin D. Roosevelt created the Manhattan Project—a top secret effort that led to the United States having nuclear bombs. The agency that became the CIA was created by a secret executive order of President Roosevelt in 1936. Federal employees gained the right to join unions by executive order of President John F. Kennedy in 1962. Japanese-Americans on the west coast were

rounded up and confined to concentration camps in 1942 also solely by executive order.

The far-reaching autocratic power to make laws is not found in the Constitution. Defenders of it cite chapter fourteen of John Locke's *Second Treatise on Government*. Locke was a wealthy British writer (and an investor in companies engaged in the African slave trade) in the 1600s, and in his time, the Crown in England had the power to make such edicts—this was part of the monarchy's "royal prerogative."

We see in fact that the "royal prerogative"—an aspect of feudal monarchy—survives in the American presidency. Like executive orders, the veto is another remnant of the feudal doctrine of the "royal prerogative"—the power of the autocrat to veto the legislature. On average, presidential vetoes are overturned by Congress only 4 percent of the time. Of Franklin D. Roosevelt's 631 vetoes, only nine (1.5 percent) were overridden by Congress.¹⁵

Article II, Section 3 of the Constitution empowers the president to "receive ambassadors and other public ministers." As Ferdinand Lundberg put it, "The President is obviously not expected to receive ambassadors to stage pleasant chats or to pray together." The Constitution gives the president the power to conduct the foreign affairs of the USA—and making agreements, revoking treaties, and putting military forces into action are all aspects of that.

The power of the judiciary is another aspect to the autocratic character of the American state. At the peak of the federal judiciary are the members of the Supreme Court who are appointed for life. The people have no say in their selection or in the selection of any of the federal judges. This life-time appointment of the Supreme Court is unpopular; a recent poll found that 60 percent of those surveyed agreed that life-time tenure for the Supreme Court justices "is a bad thing because it gives them too much power."¹⁶

The federal judiciary have always been an important bulwark for plutocratic interests. The widespread use of injunctions against labor disputes began with the use of the elite black-robed judges to break the national strike by the American Railway Union (ARU) in 1894.

Workers' First Amendment rights were trampled as the injunction prohibited anyone "from compelling or inducing or attempting to compel or induce by threats, intimidation, persuasion, force or violence, any of the employees of any said railroads to refuse or fail to perform any of their

duties as employees of any said railroads. . . .” This means that any action whatever to support the strike was a violation of the injunction, such as picketing or Eugene V. Debs sending wires to the various locals of the ARU. This injunction was used to smash the strike and throw Debs and other ARU leaders into jail. This use of injunctions to smash a labor strike was upheld a few months later by the Supreme Court.¹⁷

The power to issue injunctions in labor disputes or other mass protests is a particularly despotic power. Once the court issues the injunction, anyone who violates the judge’s edict can be fined or sent to jail for “contempt of court.” In such cases there is no right to a jury trial. One can only imagine that, if working people had the right to a jury trial in cases where judges act against mass demonstrations or strike actions, juries would often refuse to convict if they viewed these actions as things people have a right to do.

From the 1880s to 1932—one of the most infamous periods in the history of the federal judiciary—the Supreme Court invalidated thirty-eight federal laws, 384 state laws and forty-three local ordinances.¹⁸ During this same period the federal judiciary issued eighteen hundred injunctions against workers and labor unions, including bans on picketing and other decisions flagrantly in violation of the First Amendment. Ferdinand Lundberg describes that era: “All along, the courts at every level, sustained by the Supreme Court, were the main line of defense against organization by workers although the right of the propertied to organize in corporations and trade associations was freely conceded, encouraged, and aided.”¹⁹

From the end of Reconstruction to the early ’30s, the Supreme Court operated as a naked tool of the plutocracy. The labor movement would eventually get some relief from “rule by injunction” only with the passage of the Norris-LaGuardia Act in 1932. This law recognized for the first time a legal right of workers to form unions without employer interference and banned federal court injunctions against non-violent strike action. But there is still no right to a jury trial for “contempt of court” in cases where injunctions are issued against mass protests or strikes.

As shown by the *Citizens United* decision, which allows unrestricted campaign spending by the rich in the name of “free speech,” the Supremes have been gradually inching back towards the naked plutocratic biases shown in the court prior to the mid-1930s. With more Supreme Court appointments by Trump and other Republicans, we can expect results such

as the over-turning of *Roe v. Wade* (and thus allowing a complete ban on abortion) or granting ever greater impunity to police for illegal, violent conduct. The power of the Supremes to over-turn laws is actually nowhere in the constitution but was the result of a power grab by Justice John Marshall in the 1803, and it has served elite interests ever since. Congress members who want to give the impression of favoring a popular policy can throw up their hands and blame the Supremes when the policy is blocked.

The Electoral Swindle

Between the 1820s and 1840s, the right to vote in the United States was extended to working-class white males without real estate. This was when the phrase “representative democracy” was coined. The idea is that it’s “democracy” just because the masses can vote for candidates to government office—even if we actually have no way to control the actual policies. This was a new definition for the word *democracy*. Previously the word referred to direct mass participation in the making of decisions, as in town meeting democracy.

The system of election of government officials provides a number of benefits for the elite. For one thing, the capitalists do not all agree on the same policies; they differ in their ideas about what would help the profits regime to prosper. Different capitalist factions use electoral politics to appeal to members of the “middling” classes of small business owners, professionals, and managers—to rally them behind their favored policies. Other aspects of the state—such as the courts—also help to adjudicate disputes between different elements of the elite.

Moreover, the creation of mass voting in the capitalist era is another example of the state’s need for an appearance of legitimacy. The system is supposed to be legitimate because it’s presided over by a government that we elect. The electoral system is important for the elite because it provides an appearance of a society based on “the consent of the governed.”

But legitimacy doesn’t come cheap. To make sure that this scheme works to the advantage of elite interests, they must devote resources to “managing” the process. The corporations and their wealthy owners and CEOs have vast resources they can use to game the electoral process, influence public opinion, and influence what the politicians do after they are elected.

Getting elected is expensive. Corporate profits have reached historic highs, and the capitalist elite’s share of total national income has reached

obscene levels. As ever more cash flows to those at the top, spending on elections has also grown. Campaign spending by the banking, insurance, and real estate industries, for example, increased by eight times—to half a billion dollars—from 1990 to 2008.²⁰

Campaigns for national or state-wide offices can cost millions of dollars—money spent on campaign staff, mass mailings, advertising in the media. In 2010, the typical member of the U.S. House of Representatives spent \$1.7 million to get elected. You have to spend even more if you want to be senator or governor.

This is why both Democrats and Republicans seek donations from wealthy individuals and businesses. Capitalists “invest” in buying politicians, and to justify this investment, they expect a payout—favorable laws and government decisions. If a person wants to run for Congress as a Democrat, the Democratic Party’s apparatus will refuse to endorse them unless they are willing to get on the phone and get donations from the party’s list of wealthy donors. Of course these conversations give Mr. Moneybags the opportunity to make his policy ideas clear to the prospective candidate. The elite want to make sure the candidate is not a threat to business-class interests. This is just an example of how elite interests act as a filter on state policy.

Whether a member of Congress started out from modest origins or were already loaded when they were first elected to some political office, they tend to be well-to-do. For example, the median net worth of members of Congress in 2010 was about five times higher than the general population. Overall, 219 members of Congress have a net worth over \$1 million.²¹ Their style of life and privileged circumstances are far removed from the problems faced by working-class people. Their wealth and connections help their campaigns and shape their outlook.

Labor unions put a lot of money into electoral campaigns, and most of their support—both cash and organizing efforts—goes to Democratic Party candidates. But the flow of cash from wealthy individuals and businesses is vastly greater than the resources provided by unions. The banking, finance, and real estate sectors alone provide more contributions to Democratic candidates than do all unions taken together. And what has the working class got to show for all their union dues being spent to elect Democrats?

As Ferdinand Lundberg writes, “Because it is almost entirely the affluent that put up party campaign funds . . . we see here the reason both

the Republican and Democratic Parties are, basically and primarily, the parties of the propertied classes—the corporations, the trade associations, the real estate lobbies . . . the big rich and super-rich.”²²

The Republicans and Democrats are really just two wings of the Business Party. Nonetheless, the Democrats have a special role. Since the Populist farmers’ rebellion of the late 1800s, various insurgent movements have emerged that posed a serious challenge to the system—from the general strikes and wave of factory takeovers in the ’30s to the sit-ins and mass protests against Jim Crow in the south and other mass protests of the ’60s. The ability of rebel social movements to challenge the capitalist elite is blunted when leaders of such movements ask people to place their hopes for change in electoral politics and Democratic Party politicians. Placing hopes in the Democratic Party means limiting one’s aims so they are acceptable to the elites who bankroll the Democrats.

Bruce Dixon of *Black Agenda Report* put the matter this way:

The job of . . . American politicians is not to enact the policies their voters want. The . . . politician’s job is to deliver those voters . . . to their campaign contributors. . . . The fact that . . . Democrats compared to Republicans, or sometimes even Democrats compared to other Democrats, appeal to varied groups of voters accounts for why they sound different from each other. But the fact that they depend on the same class of wealthy corporations and individuals to finance their political careers means that no matter what they tell voters, the policies they enact once in office are pretty much the same.²³

To appeal to working-class people and minority communities while serving their corporate masters, politicians hone their skill at faking populist rhetoric and making deceitful promises. Campaign advertising and media coverage of campaigns tend to focus on personalities and vague slogans. After the candidates are elected, they don’t have to get our approval for what they do. With an electoral system so captive to elite interests, it’s no wonder that many potential voters opt out. Only 64 percent of the voting-age population is registered to vote—the lowest among the more-developed capitalist countries.

Popular Power?

Various protagonists and writers on the radical left since the nineteenth century have advocated dismantling the State—replacing it with some more authentically democratic form of mass self-governance. This has always

been a central part of libertarian socialism. For libertarian socialists, the basic strategic idea is that the State and capitalist control of the economy could be done away with through mass working-class organizations—unions, cooperatives, and community associations—that would form the basis of a movement to replace the State and employers with forms of direct, participatory democracy.

The idea of participatory or direct democracy is derived from the long experience of unions and other grassroots social organizations in society that have been, at times, built on a participatory basis. From these oppositional organizations that form a kind of counter-power to hierarchical institutions of capitalist society, the idea has been developed of a kind of anti-state.

The basic idea is that an organization is run in a way that enables the members to *self-manage* the affairs of that organization. A central component to this is the direct participation of members in general assemblies where people can make proposals, engage in back and forth debate, and deliberate and vote on a course of action or direction for their organization, and on the issues that lie within the sphere of that organization. This is direct democracy.

As a principle of natural justice, self-management provides us with a justification for—and conception of—authentic democracy. Self-management means control over the decisions that affect you. Since there are decisions that have a primary impact on groups of people, self-management means that those decisions should be under the collective control of the group of people affected by that area of decision making.

When unions are self-managed by their members, for example, the members control their own collective struggles with employers and government authorities through their assemblies, their committee systems, the continued presence of leaders (such as shop stewards) on the job with colleagues, and use of tactics such as rotation from office so that officials don't evolve into an entrenched bureaucracy.

Since the nineteenth century, direct democracy has always been a central part of the libertarian socialist conception of how the state and corporations could be replaced with a social arrangement where self-management is generalized throughout the institutions of the society. From this point of view, grassroots social movements rooted in participatory democracy are seen as showing the possibility of a different form of

governance for the society.

This has led to ideas of direct popular power—self-management of public affairs—rooted in the face-to-face democracy of assemblies in workplaces and neighborhoods—and delegates elected to larger congresses of delegates for broader scope decisions. This would still be a *polity*—a structure with the power to decide and enforce the basic rules of the society. A State is a polity but a polity of a particular type—structured for defense of elite class interests. There can be polities that aren't States.

A basic function of a polity is social self-defense—defense against violence and predatory behavior of others. Any polity is likely to satisfy Max Weber's definition of a State as an institution having “a monopoly on the legitimate use of violence.” But this is why his definition fails to define the State. A polity based on direct Popular Power—without the whole bureaucratic apparatus of managerialist structures set over workers—is not a State. The lack of separation from mass control makes it ill-suited to be an institution of a dominating, exploiting class.

The *Federalist Papers* set out a basic objection to direct democracy; the authors argued that only a limited sphere of local decisions could be subject to direct participation by the masses. There are limits to the number of people who can be readily brought together to have an effective meeting. The libertarian socialist reply is based on the concept of delegate democracy.

Delegate democracy is an extension of direct democracy. Here the idea is that there is an organized community of some sort—such as a workplace or worker organization, or an organized neighborhood with its own meetings as part of its organized life. The delegate is a part of the grassroots organization or community they are a spokesperson for. The delegate has first-hand experience of the working conditions or the conditions in the neighborhood. The delegate is not a paid professional politician, but shares the conditions of others in the base organization. The delegate is elected by their coworkers or their neighbors.

Under “representative democracy,” on the other hand, the politician who “represents” a district may be of a different social class—an affluent lawyer or other member of the professional-managerial layers—and may “represent” a working-class area. They may have very different conditions of life than their “constituents.”

Under delegate democracy, the delegates are spokespeople for a base who are organized and have their own meetings. Through their own

discussions and meetings, the base organizations develop their own goals and plans. A delegate in a workplace—such as a shop steward—is of course talking with and sharing conditions with their coworkers during the course of the workweek. The delegate needs to be guided by the goals of their base and the decisions the base organization has made.

Part of the idea of delegate democracy is that the base organization does not give up its right or power to be the ultimate decider. This suggests that the assemblies of the base organizations would have the ability to overrule the decision of the delegates—or force a general vote by the assemblies of the base organizations on the issue. Delegate democracy creates a much tighter connection between the rank-and-file base and their spokesperson than exists under representative democracy.

This is at least a brief sketch of the libertarian concept of Popular Power or governance through self-management. More about this in a later chapter. For now this is sufficient to indicate the kind of change in the governance system that would be needed for liberation from the capitalist regime of oppression and exploitation.

Two Faces of the State

The State has its coercive and violent face—as when police smash protests (such as the coordinated nation-wide suppression of the Occupy movement in 2011) or courts issue injunctions against strikes, or as expressed in the massive numbers of humans stuffed in prison cages in the United States. But people also look to the state to provide benefits or protect the public good, as with the clean air and water laws. These gains were often won through previous struggles and social movements.

The State is ostensibly a vehicle for the protection of the public good. This sense of protection is used to build popular support for government institutions. Because the State is the overarching governing power in society, people tend to look to it for services or protections against the predatory actions of business entities.

We can think of a common or public good as a benefit that we want to have available for everyone—such as clean air and water and an environment that sustains human life. State institutions are the means to some public goods—such as libraries or free public schools or inexpensive public transit service that gives anyone access to whatever the city has to offer. But even when the state does provide public goods, the top-down technocratic structure of the state and the power of capitalist forces to

restrict benefits both greatly limit the actual public benefit.

Despite the State's limitations, the entrenched power it has over society means that the struggle over the public good often plays itself out through movements that make various demands on the State. The current health care debate in the United States is an example of this.

At present, the US has a market-governed medical industry, not a genuine system of health care provision. Today less than half of adults in America have health insurance through their employer. Another 14 percent are retirees who receive health care coverage via Medicare. This situation contributes to the great inefficiency of American health care, as it consumes a higher proportion of Gross Domestic Product than any other wealthy capitalist country. Part of the problem is bureaucratic bloat. With more than a thousand health care plans on offer, the various capitalist insurers all have their duplicative claims bureaucracies. Part of their role is to search for reasons to deny coverage—thus saving costs for their employer. Hospitals and health care practices also have large clerical staffs just to process the claims. Health insurers are in business to make a buck, and part of the health care premium dollar goes to advertising. And another chunk goes to the profits sucked down by all the private corporations—insurers, Big Pharma, hospital corporations, and so on.

Doctors in America make twice as much as physicians in other wealthy countries. According to economist Dean Baker, “When economists like me look at medicine in America—whether we lean left or right politically—we see something that looks an awful lot like a cartel.”²⁴ Physicians in America—through the influence of organizations like the American Medical Association (AMA)—have been able to control the number of student slots at medical schools, the availability of residencies at hospitals, and the licensing of foreign physicians. They also have been able to restrict the role of para-medicals such as nurse practitioners. All of which adds up to organizations of physicians being able to beef up their market power by restricting supply.

Over time, the market power of various entities in health care—insurers, physicians, hospital corporations, drug firms—has led to health care sucking down a growing share of the total social product (as measured by GDP). In 1970, health care consumed 7 percent of GDP but by 1995, this had doubled to 14 percent.²⁵

Since the 1990s many employers have responded to rising costs through

cost-shifting tactics. Typically this means many employers simply avoid providing health coverage, or force through increases in deductibles and copays. The federal state stiffened the eligibility rules for Medicare in the '80s, and more recently states have greatly cut back in available Medicaid coverage for the poor.

Rising copays and deductibles mean that many working-class people put off doctor visits or drug purchases because it bites into their meager income. The result is that many people will be diagnosed with advanced cancer that could have been caught and treated earlier. The fact that many poor women lack access to pre-natal care makes the country's infant mortality rate higher than it otherwise might be. In the United Kingdom, the National Health Service is one of the reasons life expectancy is a bit longer and infant mortality less than in the United States.

The power of the capitalist health industry is also deployed politically. During the debates in Congress that led to Obamacare (AKA the Affordable Care Act), Medicare for All wasn't even an entry in the debate. Democratic Party shills for capitalist interests acted as gatekeepers to protect the parasitic for-profit insurance industry. Obamacare ended the insurance industry practice of denial of coverage based on someone having an existing health care condition, but this provision was later under attack by the Trump administration and Republicans. Obamacare sweetened the deal for insurers with state subsidies.

Even with Obamacare, 9 percent of adults in the United States still have no health insurance coverage. And Obamacare has no way to control costs, leaves the bureaucratic bloat of competing plans in place, and does not restrict the denial of coverage that goes with copays and deductibles.

For health care provision to be a common or public good, there needs to be equal access to resources for protecting and sustaining health for everyone and no denial of access based on something like inability to pay. A common good is a benefit that we want to be available for everyone, or anyone who needs it. I think arguments for a social system of free, comprehensive, quality health care provision for all can be developed from both considerations of positive liberty and human solidarity.

In chapter one I described two conditions of natural justice that are necessary for positive liberty. This consists of (1) self-management as a general feature of social institutions that govern areas of collective decision making and (2) equal access to the means to develop one's cognitive

capacities and human potential, and equal access to the means to maintain one's capacities—including one's health. Condition two is necessary for human freedom if people are to have the real ability to be self-governing in their lives and to participate effectively in control over collective decisions that affect their lives and their work.

Due to the conditions that prevail in the profit-driven capitalist world of work—and environmental degradation in working-class areas (such as emissions from nearby industries or trucks on freeways)—the fight for universal access to health care provision is a working-class issue. All humans are vulnerable to disease or injury. We all age. A sense of compassion or concern for others thus suggests that we have a common stake in making sure there is an institutional basis for the common good of health care provision. Solidarity itself has a basis in this sense of concern for others. As I've said, solidarity is often encapsulated in the slogan "An Injury to One is an Injury to All," but solidarity also implies struggle. We know that the capitalist regime is based on exploitation and profit seeking. We know that an adequate life for working-class people has often required collective struggle. We can expect that there is not likely to be adequate universal health provision without a fight.

The Medicare for All proposal is a form of social health insurance. It's a step in the right direction but it's not the same thing as socialized health care. A health insurance program leaves the capitalist firms intact—Big Pharma, the hospital corporations, and so on.

We should not think of "socialized health care" as some statist, technocratic agency controlled by cadres of the bureaucratic control class—sending down their rules and decisions through the chain of command. If working people are to free themselves from subordination and exploitation by dominating classes, it can't be through the State—the history of the Communist regimes makes that clear enough. Rather, all the industries—including public services like health care, education, and public transit—would need to be collectively self-managed by the people who do the work in that field.

I earlier described the idea of Popular Power or mass self-management over public affairs—rooted in the face-to-face democracy of worker and neighborhood assemblies. This proposal is based on the libertarian opposition to the autocratic managerialism inherent to the state. But this form of libertarian anti-statism does not mean an end to public services

such as education and health care. Rather, it would provide the means for democratic participation in the development “from below” of proposals for the kinds of quality public services (and environmental protections) people want.

Thus, we can think of socialized health care provision as the result of decision making that has its roots in two sources: First, a democratic health industry organization where the physicians, para-medicals, pharmacologists and other workers in the sector cooperate and collectively control that industry. And, second, mass participation in decision making over the kinds of quality public services we want. Through a process of negotiation between the health staff organization and the popular power rooted in community assemblies, an agenda can be worked out for the provision of comprehensive, high-quality health care.

Health care within capitalist society deals with ailments and injuries as they occur, whereas a comprehensive concept of health care provision also has to include preventative health care. This would require systematic research into health effects of the technologies and conditions in industries. Re-design of technology and work processes to improve health is also an aspect of preventative health care—a situation that would presuppose worker control over the economy in general.

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2. For example: Sean McElwee, “Why Non-Voters Matter,” *The Atlantic*, Sept. 15, 2015, <https://www.theatlantic.com/politics/archive/2015/09/why-non-voters-matter/405250>.

3. We can understand a “social function” by analogy with how “function” is understood in biology. In biology, the function of a structure is the feature that explains why that structure continues to be replicated through subsequent generations. Facilitating sight is the “function” of the eye in this sense. This concept of a social function is developed by Ruth Garrett Millikan in her theory of language. See chapter one of her *Language, Thought and Other Biological Categories: New Foundations for Realism* (Cambridge: MIT Press, 1984). John F. Post provides a very accessible introduction to Millikan’s theory of language in the third chapter of *Metaphysics: A Contemporary Introduction* (Berkeley: University of California Press, 1991).

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5. Frederick Engels, *The Origin of the Family, Private Property and the State* (1891 edition), 229.

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7. City Councilperson Theodore S. Weiss, quoted in Kristian Williams, *Our Enemies in Blue: Police and Power in America* (Cambridge, MA: South End Press, 2007), 135.
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14. Ferdinand Lundberg, *Cracks in the Constitution* (Secaucus, NJ: Lyle Stewart, 1980), 269.
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16. Adam Liptak and Allison Kopicki, “Approval Rating for Justices Hits Just 44% in New Poll,” *The New York Times*, June 7, 2012, <http://www.nytimes.com/2012/06/08/us/politics/44-percent-of-americans-approve-of-supreme-court-in-new-poll.html>.
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20. Robert Reich, “Money’s death grip on government is key issue for next year’s elections,” *San Francisco Chronicle*, December 25, 2011.
21. Matthew Josephson, *The Politicos, 1865–1896*, cited in Thomas Frank, “It’s a Rich Man’s World,” *Harper’s*, April 2012.
22. Ferdinand Lundberg, *The Rich and the Super-Rich: A Study in the Power of Money Today* (Secaucus, NJ: Lyle Stuart, 1968), 698.
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Chapter Five: Cost-shifting

In chapter one I described several structural features of capitalism, which explain why the relentless pursuit of profit is an essential feature of capitalism. If a firm doesn't constantly seek to minimize its expenses in production and expand its market share, its resources won't be as large as that of its competition. The larger a corporation is, the more resources it has to buy up competitors, build new facilities, hire experts and managers, design new products or methods of production, or move operations to other countries where they can pay lower wages. If a company falls behind its rivals in this drive for expansion, its rivals will have the resources to push it from the field.

And this brings me to another essential feature of capitalism: *cost-shifting*. Firms avoid financial expenses if they can shift costs and liabilities onto others. Cost-shifting is a pervasive feature of capitalism, which explains pollution (such as pesticide runoff from farms), dumping of toxic wastes, or ignoring the global heating produced over time by the buildup of carbon dioxide in the atmosphere. And thus we have the basis for the environmental crisis of today.

An electric power company burns coal to generate electricity because the price per kilowatt hour from coal-fired electricity has long been cheaper than alternatives. But the emissions from burning coal travel downwind and cause damage to the respiratory systems of thousands of people—causing preventable deaths to people with respiratory ailments. This is in addition to the substantial contribution to global heating from the carbon dioxide emissions. But the power firm doesn't have to pay money for these costs. If the firm had to pay fees, they would be equivalent to the human cost in death, respiratory damage, and contribution to global heating and its effects, burning coal would not be so profitable for the power company.

Capitalism Is Dangerous to Your Health

Firms also externalize costs onto workers, such as the health effects of stress or chemical exposures. A leaky oil refinery spews hydrogen sulfide, xylene, or other toxic chemicals into nearby working-class neighborhoods.

And it also pollutes the refinery workers.

The “free market” pundit or hack economist might deny that companies externalize costs onto workers. They might say that wages and benefits paid to workers for each hour of work measure the cost of labor. But the human cost of work can be increased without an increase in the compensation paid to workers. If a company speeds up the pace of work, if people are working harder, if they are more tightly controlled by supervisors, paced by machines or software, it increases the cost in human terms. More actual labor burden—more human life—is being consumed for each hour of work.

Being controlled and monitored—by machine pacing or human supervision—are causes of stress, and stress can have adverse effects on a person’s health. For example, a study of Swedish sawmill workers showed that workers who were paced by machines had the highest levels of stress and the highest incidence of cardiovascular disease among workers studied. Stress and high dissatisfaction with work are widespread within the working class, and both are associated with decreased lifespan.¹

Close supervision is a feature of most working-class jobs. According to a 1991 survey of people in non-managerial, non-farm jobs, 94 percent said it is “very easy” or “fairly easy” for their supervisors to check on their work. Among those surveyed, 40.2 percent also report that their work is checked “more than once a day” or “at least once a day.”² The working-class condition generates other causes of stress such as worries about money and job insecurity.

Work-related injuries and illnesses are another area where capitalist firms shift costs onto workers. Costs include pain and suffering, disability, lost wages, and costs of treatment and rehab (drugs, hospital facilities, etc.). According to Lisa Cullen: “Every day, 165 Americans die from occupational diseases and 18 more from a work-related injury. [There are] more than 36,400 non-fatal injuries [per day] and 3,200 illnesses.” In addition, at least another 218 people die every day from conditions (such as chemical emissions) created in nearby industries where they are not employed.³

Workplace injuries and illnesses often have a disastrous effect on a worker’s life. According to a study in the 1990s, 10 percent of people who are homeless became homeless due to a workplace injury. Also, 10 percent of people whose incomes were below the official poverty line had become impoverished due to a workplace injury. Being injured is scary, and it adds

stress to a person's life. It can cause havoc in a household when a person is no longer able to work. Divorces are sometimes the result.⁴

Toxins at Work

The use of toxic chemicals in workplaces clearly shows the lack of protection of worker health. Since the end of World War II, the petrochemical industry has been busy developing tens of thousands of chemical products that are widely used in industrial processes, agriculture, and in consumer products. In 1997, the Environmental Defense Fund did a study of one hundred chemicals produced in large quantities—at least a million pounds annually—that were subject to governmental regulation. Their study found that:

- 63 percent had no tests to determine whether they cause cancer.
- 53 percent lacked any data as to whether they are reproductive toxins (causing miscarriages, birth defects, etc.).
- 67 percent had no data on how toxic they are to the nervous system (causing brain damage, loss of sensation, etc.).
- 90 percent had no data on whether they pose a particular threat to children.⁵

Thus the practice allowed within American capitalism is in violation of the basic “precautionary principle” that advises us to do tests to assess what harmful effects will result from new chemical exposures. Many of the toxics used in workplaces are volatile chemicals that readily evaporate or are used as gases or sprays or occur in vapors or fumes. These industries then become sources of toxic air pollution that poses a danger for surrounding communities. Some chemicals, such as solvents used in cleaning and degreasing, often leach into the groundwater. There are twenty-nine Environmental Protection Agency Superfund sites in Silicon Valley due to the pollution of groundwater from the solvents used by chip manufacturers and circuit board assembly operations in the earlier era of electronics hardware manufacturing.

Toxic chemicals used in manufacturing, agriculture, and other industries thus pose a threat to people who live in nearby areas as well as to the workers in these industries. Usually working-class people live in neighborhoods near polluting industries, and often these are communities of color.

A 2001 study of the one hundred largest industrial sources of toxic air emissions in Los Angeles County—the largest manufacturing center in

America—found that 60 percent of the neighborhoods near these toxic air sources were predominantly working-class Latino areas. “Low-income people are substantially more affected by air toxics than the rest of the population,” according to that study’s authors.⁶

Workers are on the front line of toxic pollution. Chemicals that end up as pollutants in the air or water are first exposed to workers on the job, and workers are usually subject to greater concentrations of these chemicals.

Despite the existence of pollutants generated by leaky oil refineries (such as volatile organic compounds) and pollutants emitted by other industries in industrial areas of California—such as the “cancer alley” of oil refineries in the Contra Costa County area or the similar refinery zone in Wilmington—the government agencies set up to deal with air pollution in the Bay Area and Los Angeles County protected polluters for years by focusing almost exclusively on pollution generated by vehicle exhaust. In this way, the South Coast Air Quality Management District and the Bay Area Air Quality Management District have been an example of “regulatory capture” by corporate capital. State agencies of this sort act as a barrier to restrict direct action by the population to prevent being polluted on.

More recently, many local communities have taken to using electoral politics—such as initiatives—to ban or limit pesticides. In 2017, citizens in Lincoln County, Oregon, successfully passed a ballot measure to ban aerial spraying of pesticides in the local forests. They were worried about “the potential impacts of spray drifting into their water supplies and affecting the health of people and animals.” As local communities around the country have been moving more in this direction, the petro-chemical industry and its elected shills have moved to use state laws to prevent local cities and counties from enacting more stringent controls. In the Oregon case, state law pre-empts local ordinances—another example of how the State acts to prevent the people affected by pollution from banning or limiting it.⁷

Poison in the Fields

The petro-chemical industry’s success at pushing a chemicalized industrial agriculture is having a hugely destructive effect on the world’s insects; more than forty percent of insect species are under threat of extinction. The vast expansion in use of chemicals in agriculture is driving this.

The rate at which insects are hurtling towards extinction is eight times

faster than mammals, birds, or reptiles. For example, only half the bumblebee species found in Oklahoma in 1949 were still present in 2013. The total number of insects in the world is declining at a rate of 2.5 percent a year, according to a recent analysis that looked at the seventy-five best studies done on insect populations.⁸ If this continues at the same rate, the world would have only half as many insects in fifty years, which will have a major impact on the survival of birds, reptiles, and amphibians that eat insects. “If this food source is taken away, all these animals starve to death,” said Francisco Sanchez-Bayo of the University of Sydney, in Australia. “If insect species losses cannot be halted, this will have catastrophic consequences for both the planet’s eco-system and for the survival of mankind.”⁹

Surveys carried out since 1980 by volunteers in Britain have shown a widespread loss of pollinating insects. An analysis of 353 wild bee and hoverfly species found the insects have been lost from a quarter of the places they were found in 1980: “A small group of 22 bee species known to be important in pollinating crops such as rapeseed oil saw a rise in range, potentially due to farmers increasingly planting wild flowers around fields. However, the scientists found “severe” declines in other bee species from 2007, coinciding with the introduction of a widely used neonicotinoid insecticide.”¹⁰ Neonicotinoid has been banned in Britain but is still used elsewhere.

The use of petro-chemical fertilizers, pesticides, and herbicides is linked to an industrial model of agriculture with vast fields planted in a single crop. Large machines used for harvesting and other purposes often presuppose this single crop model. Chemical firms have sold pesticides and herbicides to growers as a way to increase the productivity per acre by reducing losses to pests. The growers are businesses like any other. If they are to generate profits to expand and survive against competition, they have to be thinking about this year’s profit. According to the U.S. Department of Agriculture, use of pesticides on vegetables and fruits increased from 217 million pounds in 1964 to 588 million pounds in 1997.¹¹

The heavy use of pesticides, herbicides, and petro-chemical fertilizers in agriculture is a major source of air-borne toxins in rural areas, and a source of contamination of streams, aqueducts, and groundwater. Pesticides and herbicides contribute to toxic air pollution in several ways. They are often applied as a “fog” or sprayed, either from aircraft or through sprayers, which

are often used in orchards. Aerial spraying is the technique used for about a quarter of the pesticides applied in California. Aerial drift was the cause of 51 percent of documented cases of pesticide poisoning of farm workers in California.

Liquid pesticides are designed to dissipate into the air within a few days of application. Toxic vapors can then roam, polluting the wrong crops in the next field, or moving with the wind into nearby residential areas.

As with urban industry, chemical use that pollutes the air and water affects workers first and foremost. There are 5 million farm workers in the US—including 100,000 children—but the extent of their chemical exposure has never been accurately measured. According to a 1993 federal government report, the Environmental Protection Agency has “no capability to accurately determine [the] national incidence or prevalence of pesticide illnesses that occur in the farm sector.” The annual reported cases of farm worker poisoning in America is estimated at twenty thousand by the EPA, but this is just the tip of the iceberg—it is a guess extrapolated from doctors’ reports of poisoning in California.¹² Farm workers are under a double threat because they and their families often live near fields where pesticides are applied.

Farm-worker-controlled safety committees are potentially a very important tool that could be used to fight back in this area as they would provide a way for workers to become informed and take action to protect themselves against pesticide poisoning and other work hazards. An example of this are the farm-worker safety committees won in the more recent agreements fought out in Florida agriculture by the Coalition of Immokalee Workers (CIW).

The CIW started out as a grassroots farm worker organization with about twenty-five hundred members in the early 2000s. At that time, they were running a low-power radio station called Radio Conciencia (Consciousness Radio) and a food coop. Immokalee is the largest farm worker community in southwestern Florida and workers there labor mainly on tomato and citrus farms, and travel to other areas as they follow the harvest. The CIW’s membership has been made up mostly of young Indigenous men from southern Mexico and Guatemala, although there are also some African-Americans and immigrants from Haiti working in the fields in Florida.

Under the slogan “End sweatshops in the fields,” the CIW built its

boycott campaigns through marches, job actions, hunger strikes, farm-worker cross-country tours, and a growing set of alliances. They have carried out an effective strategy that targets the big players at the top of the food industry's money chain—the fast food, supermarket chains, and corporate food contractors. Worker-controlled safety committees in agriculture give their members a way to protect themselves from the potential of chemical poisoning.

The Crisis of Global Warming

Capitalist dynamics are at the very heart of the current crisis that humanity faces over global warming. Power firms that generate vast amounts of carbon dioxide emissions, and firms that make profits from building fossil-fuel burning cars and trucks and that make profits from the sale of gasoline and diesel and jet fuel have not had to pay any fees or penalties for the growing build-up of carbon dioxide in the atmosphere. The crisis has its explanation in cost shifting and the search for short-term profits and ever growing markets—features that are at the heart of the capitalist system.

When we speak of “global warming,” we’re talking about a rise in the average (mean) worldwide temperature of about 0.8 degrees Celsius (1.4 degrees Fahrenheit) since 1880. “According to an ongoing temperature analysis conducted by scientists at NASA’s Goddard Institute for Space Studies . . . two-thirds of this temperature increase has occurred since 1975.” A number of major climate study centers in the world agree on this trend—the Met Office Climate Research Unit in Britain, the Japanese Meteorological Agency, the NOAA National Climate Data Center. This might seem like only a small amount of heating, but, as NASA scientists point out: “A one-degree *global* change is significant because it takes a vast amount of heat to warm all the oceans, atmosphere, and land by that much.”¹³

If global capitalism continues with “business as usual,” the heating will continue to have major impacts on the world climate system—killer heat waves, more ocean heat pumping energy into hurricanes and cyclones, rising ocean levels from melting of polar ice and glaciers, destruction of corals in the oceans, and a greater danger to the survival of many different species.

We know that carbon dioxide emissions from the burning of fossil fuels is at the heart of the problem. Various gases in the atmosphere create the

“greenhouse effect” by preventing much of the heat from the sun from escaping back into space. Water vapor is one of these gases—produced by evaporation from oceans and other bodies of water. But water vapor doesn’t stay very long in the atmosphere. It soon falls back to earth as rain. Moreover, water vapor is produced by heat, which causes evaporation. Suggesting that water vapor is the cause of the anomaly of rising temperature confuses cause and effect. Carbon dioxide, on the other hand, is known to stay in the atmosphere for a long time and is a powerful heat-trapping gas. Thus a thin layer of carbon dioxide in the atmosphere acts like the glass in a greenhouse to trap heat.

For many centuries the proportion of carbon dioxide in the atmosphere ranged between 200 and 300 parts per million. By the 1950s, the growth of industrial capitalism since the 1800s had pushed this to the top of this range—about 300 to 310 parts per million. Since then the concentration of carbon dioxide in the atmosphere has risen very rapidly—to more than 410 parts per million by 2018. This may seem like a small part of the atmosphere but all the gases that contribute to the “greenhouse effect” (including nitrous oxide and methane) are only 0.5 percent of the atmosphere. Carbon dioxide makes the largest contribution to trapping of heat.

The last time there was this much carbon dioxide in the atmosphere was a period about two to four million years ago—before our species existed. Back then carbon dioxide was 380 to 450 parts per million of the atmosphere. The Arctic region was much warmer than now. There were forests in Antarctica and Greenland. In that era the earth was at least 2 degrees Celsius warmer than it is now and the oceans were about twenty meters (more than sixty-five feet) higher than now.¹⁴

Moreover, we know that the recent rise in carbon dioxide in the atmosphere is from the burning of fossil fuels. There are various isotopes of carbon, and carbon-14 is the heaviest. Carbon-14 is not found in fossil fuels. The buildup of carbon dioxide in the atmosphere is from the lighter isotopes of carbon that are found in fossil fuels.

It’s not hard to explain this rapid rise in carbon dioxide emissions. Since WWII there has been a huge increase in vehicle ownership, a growing volume of freight and package delivery by truck, and a remarkable growth in global trade with ever larger ships hauling masses of containers, as well as growth in electricity production powered by burning coal and natural gas.

According to the International Energy Agency, electricity production accounts for 41 percent of carbon dioxide emissions, transportation accounts for 22 percent, and another 20 percent is produced by various manufacturing processes. In the United States, more than two-thirds of electricity is generated by burning fossil fuels.

The US currently generates almost 15 percent of the world's greenhouse gas emissions but has only 5 percent of the world's population. Because of the massive industrialization in China since the 1990s, that country is now the largest source of carbon dioxide emissions (about one-quarter of world total). But China has 4.2 times as many people as the United States, so the US contributes twice as much carbon dioxide pollution as China on a per person basis.

In the United States, there have been considerable changes in land use since the second world war. Capitalist real estate development has created a vast suburban sprawl and patterns of land use that centers the need for constant use of private motor vehicles. For decades, developers domestically based their practices on the assumption that people would get to far-flung suburban single-family houses, shopping centers, cineplexes, and office and industrial parks by car. This wouldn't have been possible without the cost-shifting dynamic of capitalism, which underpriced gasoline-burning car use.

With global warming and its effects, it has become harder to ignore the social costs of our dependence on cars. Chemical runoff from roads contributes to water pollution; democratic mixing and mingling of people in public space shrivels as people get from place to place in individualized metal pods; the working poor are segregated into underfunded bus systems.

Huge expenditures in infrastructure—on streets, freeways, extensions of utility grids—and free parking have subsidized a dispersed, auto-dependent pattern of land use. Over time, these patterns have changed our way of life, and it's become increasingly difficult for Americans to get to the various fragments of their lives without a car. The developers' investment practices have built an environment that made not having a car a real liability, with the result that the use of public transit has plummeted. The number of rides people take on public transit in American metropolitan areas has dropped to very low levels compared to cities in Europe and Asia. Between 1950 and 1970, rides on public transit in the older, denser core of Los Angeles fell from about three hundred annual rides per person to less than one hundred. For the whole of Los Angeles County, there are about fifty annual

rides per person on public transit versus 250 in London. According to a study in the 1980s, residents of American cities consume:

- Nearly twice as much gasoline per person as residents of Australian cities.
- Nearly four times as much gasoline per person as residents of European cities.
- Ten times as much gasoline per person as people in Hong Kong, Singapore, and Tokyo.¹⁵

Previous attempts to get global agreement to cut back burning of fossil fuels have been ineffective. The Paris Accords merely proposed voluntary targets. NASA scientist James Hansen described it as a “fraud”: “There is no action, just promises.”¹⁶ According to the UN Intergovernmental Panel on Climate Change, the dire situation calls for “rapid and far-reaching transitions . . . unprecedented in terms of scale.” The IPCC warns that there needs to be a 45 percent world-wide reduction in the production of heat-trapping gases (mainly carbon dioxide) from 2010 levels by 2030 if humanity is to avoid dangerous levels of global heating.¹⁷

Clearly a global change is needed. But how to bring it about?

A “Green New Deal”?

The concept of a Green New Deal has been proposed by Green Party activists, the Sunrise Movement, and other climate justice groups for some time. The slogan is based on a comparison with the statist planning used by President Roosevelt to respond to the economic crisis of the 1930s as well as the vast and rapid transition of American industry to war production at the beginning of World War II. The idea is that the crisis of global heating should be treated with equal urgency as the mass unemployment of 1933 or the fascist military threat of the early 1940s.

Surveys suggest that more than two-thirds of Americans support the goal of binding limits on carbon dioxide emissions—not the mere promises of the Paris Accords. With growing protests and political pressure, we are likely to see more reform proposals in the spirit of the “Green New Deal” at various local levels. For example, since the island’s power system was destroyed by Hurricane Maria, Puerto Rico’s legislature has approved a proposal to completely overhaul the electricity sector. Previously they were dependent on diesel generators that are polluting and also are very expensive (which made for high electricity prices). Puerto Rico will move towards 100 percent renewables for electricity by 2050, and 40 percent

renewables by 2025.¹⁸

After Alexandria Ocasio-Cortez—a member of Democratic Socialists of America—was elected to Congress, she and others proposed a congressional committee be set up to address the climate crisis through Green New Deal programs. The resolution she and Senator Ed Markey introduced lays out a set of ambitious goals, such as 100 percent electric power generation in the USA from “clean, renewable, and zero-emission energy sources.”

Other goals include “removing pollution and greenhouse gas emissions from manufacturing . . . as much as is technologically feasible” and “overhauling” the transport sector “to eliminate pollution and greenhouse gas emissions” from transport “through investment in zero-emission vehicles, accessible public transportation and high speed rail.”¹⁹ Along with this resolution, a letter was sent to the U.S. Congress from 626 environmental organizations backing the Green New Deal proposal. These environmental groups made it quite clear they oppose any market-based tinkering—reforms that we know won’t work—such as “cap and trade” (trading in pollution “rights”).

But how would these goals be realized? And what would happen to the multi-billion dollar industries that profit from fossil fuel extraction and refining, from the manufacturing of fossil-fuel burning vehicles, or the generation of electric power from fossil fuels such as natural gas and coal? And what would happen to the workers in these industries?

To address these issues, many have proposed “public-private partnerships” and public subsidies to private corporations. Robert Pollin, writing in *New Left Review*, talks about “preferential tax treatment for clean-energy investments” and “market arrangements through government procurement contracts.”²⁰ All part of a so-called “green industrial policy”; a green capitalism, in other words.

But workers are often skeptical of these promises. Experience tells us that companies will simply lay people off, under-pay them, or engage in speed-up and dangerous work practices—if they can profit by doing so. For example, low pay, work intensification, and injuries have been a problem at the Tesla electric car factory, which has received 5 billion dollars in state subsidies. Tesla laid off 7 percent of its workforce (over three thousand workers) in 2019 in pursuit of profitability.

An alternative approach that looks to statist central planning has been proposed by Richard Smith—an eco-socialist who is also a member of

Democratic Socialists of America. Smith characterizes Ocasio-Cortez's proposal this way: "Ocasio-Cortez . . . is a bold, feminist, anti-racist and socialist-inspired successor to FDR. . . . She's taking the global warming discussion to a new level. . . . She's not calling for cap and trade or carbon taxes or divestment or other 'market' solutions. She's issuing a full-throated call for de-carbonization—in effect throwing the gauntlet down to capitalism and challenging the system."²¹

Smith points out that the Green New Deal resolution "lacks specifics" about how the goals will be reached. To realize the goal of "de-carbonizing" the economy, he proposes a three-part program:

- Declare a state of emergency to suppress fossil fuel use. Ban all new extraction. Nationalize the fossil fuel industry to phase it out.
- Create a federal program, in the style of the 1930s Works Progress Administration, to shift the workforce of shut-down industries to "useful but low emissions" areas of the economy "at equivalent pay and benefits."
- Launch a "state-directed" crash program to phase in renewable electric power production, electric transport vehicles, and other methods of transport not based on burning fossil fuels. Develop programs to shift from petro-chemical intensive industrial agriculture to organic farming.

Smith understands that humanity needs to move to an economy that can respect the environment: "Perhaps the biggest weakness of the GND Plan is that it's not based on a fundamental understanding that an infinitely growing economy is no longer possible on a finite planet . . . of the imperative need for economic de-growth of many industries or of the need to abolish entire unsustainable industries from toxic pesticides to throw-away disposables to arms manufacturers."

However, Smith seems conflicted. He says: "It's difficult to imagine how this could be done within the framework of any capitalism . . . our climate crisis calls for something like an immediate transition to ecosocialism." Nonetheless, he calls for top-down state planning as the *deus ex machina*. Even though "AOC [Alexandria Ocasio-Cortez] makes a powerful and explicit case for state planning," Smith says, a weakness of the Green New Deal resolution, from his perspective, is the failure to call for a National Planning Board to reorganize, reprioritize and restructure the economy. When he talks about nationalization, he doesn't mean expropriation. He's talking about buying out the shareholders at a "fair price."²² This is essentially a proposal for a largely state-directed form of capitalist economy

—a form of state capitalism.

How realistic is this proposal? Can electoral politics be used to elect politicians—through the business-controlled Democratic Party—to enact a multi-trillion dollar program of seizures of the fossil fuel industry, auto manufacturers, and chemical firms and set up a planning board to direct the economy—in the style of FDR’s War Planning Board? Since Smith doesn’t propose to expropriate the capitalist owning class, they will still have their vast wealth to influence politics and state behavior, through their control of the media and private investment. In reality, we have to expect that the powerful overlords of the fossil fuel death industry would fight with ruthless determination against any proposal to shut down or nationalize the enormous fossil fuel-based sectors.

The American working class did make important gains in the ’30s and the New Deal did enact some beneficial reforms, such as the Fair Labor Standards Act (minimum wage, unemployment insurance) and Aid to Families with Dependent Children. These concessions were only won due to a vast uprising of the American working class in a context of vast struggles around the world—a working-class revolution in Spain, plant occupations in France, a communist insurgency in China, the Communists holding on in Russia. The Democrats chose to “move left” in that moment.

But it is a mistake to romanticize the New Deal. People talk of the 1930s’ Work Progress Administration (WPA) as the model for “job guarantees”—that is, government as employer of last resort. But there was still 17 percent unemployment in United States as late as 1940, and workers in the WPA often had beefs such as low pay. Communists, socialists, and syndicalists often organized unions and strikes among WPA workers to deal with these grievances. The gains that working-class people were able to win in the ’30s did not simply come about through electoral politics, nor were the conservative, bureaucratic “international unions” of the American Federation of Labor the vehicle either. They were more of a road block—exactly why several hundred thousand workers had already created new grassroots unions from scratch by late 1934.

As is often the case with democratic socialist or state socialist advocacy of central planning, Smith’s proposal seems to assume that the State is a class-neutral institution, which—somehow—the working-class population can lay hold of and wield for their own interests. In reality the state is not class-neutral but has class oppression built right into its structure. For

example, public sector workers are subordinate to managerialist bureaucracies just as workers are in private corporations. The day-to-day workings of state institutions are controlled by the cadres of the bureaucratic control class—state managers, high-end professionals employed as experts, prosecutors and judges, military and police brass. This is in addition to the “professionals of representation”—the politicians—who are typically drawn from either the business or bureaucratic control classes, that is, classes to which working-class people are subordinate.

Statist central planning is inherently authoritarian because it is based on a denial of self-management to people who would be primarily affected by its decisions—consumers and residents of communities, on the one hand, and workers in the various industries who would continue to be subject to managerialist autocracy. The alternative would be a form of planning based on self-managed socialism.

Self-management means that people who are affected by decisions have control over those decisions to the extent they are affected. There are many decisions in the running of workplaces where the group who are primarily affected are the workers whose activity makes up the production process. Taking self-management seriously would require a form of distributed control in planning, where groups who are primarily affected over certain decisions—such as residents of local communities or workers in industries—have an independent sphere of decision-making control. This is the basis of the syndicalist alternative of distributed planning, discussed below.

State socialists will sometimes make noises about “worker control” as an element of central planning, but real collective power by workers is inconsistent with the concept of central planning. If planning is to be the activity of an elite group at a center, they will want to have their own managers on the worksite to make sure their plans are carried out. Any talk of “worker control” always loses out to this logic.

Statist central planning can't overcome either the exploitative or cost-shifting logic of capitalism, which lies at the heart of the ecological crisis. Numerous populations are directly impacted by pollution in various forms—such as the impact of pesticide pollution on farm workers and rural communities or industries' impact on air and water in various communities. The only way to overcome the cost-shifting logic is for the affected populations—workers and communities—to gain direct power to prevent being polluted. For global warming, this means the population in general

needs a direct form of popular power that would enable them to directly control the emissions allowable into the atmosphere. Overcoming the threat of global warming does require a massive shift away from the burning of fossil fuels, which will require major shifts in manufacturing processes and the transport system, as well as changes in electricity production.

As difficult as it may be, we need a transition to a self-managed, worker-controlled socialist political economy if we're going to have a solution to the ecological crisis of the present era. But this transition can only really come out of the building up of a powerful, participatory movement of the oppressed majority in the course of struggles against the present regime.

What is needed here is a strategy that has a good “fit” with this goal of self-managed socialism that empowers both workers and communities. The basic problem with the electoral socialist (“democratic socialist”) strategy is its reliance on methods that ask working-class people to look to “professionals of representation” to do things for us. This approach tends to build up—and crucially rely upon—bureaucratic layers that are apart from (and not effectively controllable by) rank-and-file working-class people. These are layers of professional politicians in office, paid political party machines, lobbyists, or those who negotiate on our behalf but belong to the paid apparatus of the unions—paid officials and staff—or the paid staff in the big non-profits. The institutional interests of these groups tend to keep the working class captive to the capitalist regime.

Eco-syndicalism

In the next chapter, I will discuss *syndicalism* as an alternative strategy that does have a good “fit” with the goal of replacing capitalism with a society built around workers self-management of the industries and popular power in communities. Syndicalism is based on a strategy of building grassroots worker unions (and other kinds of grassroots organizations such as tenant unions) that are directly controlled by the members, and using these organizations as a means of workers controlling—and pursuing—direct struggle against the dominating classes—building forms of working-class counter-power through disruptive forms of collective struggle, such as strikes, occupations, rent strikes, militant mass marches, and so on.

For now, however, it's useful to think about the way that workers can act against the ecologically destructive effects of capitalist dynamics. *Eco-syndicalism* is based on the recognition that workers—and direct worker and community alliances—can be a force against the environmentally

destructive actions of capitalist firms. Toxic substances are transported by workers, groundwater-destroying solvents are used in electronics assembly and damage the health of workers, and pesticides poison farm workers. Industrial poisons affect workers on the job first and next they pollute nearby working-class neighborhoods. Nurses have to deal with the effects of pollution on people's bodies. Various explosive derailments have shown how oil trains can be a danger to both railroad workers, communities, and environments.

Workers can potentially resist decisions of employers that pollute or contribute to global heating. For example, back in the '70s, the Australian Building Laborer's Federation enacted various "green bans"—such as a ban on transport or handling of uranium.

A recognition of this possibility led to the development of an environmentalist tendency among syndicalists in the 1980s and '90s—*eco-syndicalism* (also called "green syndicalism"). The organizing work of Judi Bari—a member of the IWW and Earth First!—exemplifies this. Working in the forested region of northwest California, Bari attempted to develop an alliance of workers in the wood products industry (and their unions) with environmentalists who were trying to protect old growth forests against clearcutting.

Worker and community organizations can be a direct force against fossil fuel capitalism in a variety of ways—such as the various actions against coal or oil terminals on the Pacific Coast, or labor and community support for struggles of Indigenous people and other rural communities against polluting fossil fuel projects, as happened with the Standing Rock blockade in the Dakotas. Unions can also be organized in workplaces of the "green" capitalist firms to fight against low pay and other conditions described earlier. Workers can support alternatives to reduce global heating, such as expanded public transit or railway electrification.

Moreover, powerful social forces organized independently of the politicians and building disruptive social actions can be a major force to push for the changes in policy that move us away from fossil fuel capitalism. For example, the idea of a "Just Transition" to a carbon-free future was developed by activists within the labor movement. This is the idea that the cost of the shift away from polluting industries should not be borne by the workers through the loss of their jobs. If fracking is shut down or refineries are scaled back or coalmines are shut down, comparable

incomes or jobs for those workers should be guaranteed. If there is going to be a shift to “green” energy projects, we need to make sure that there is a union presence in these jobs, and avoid this being just a new low-wage sector where capitalists can profit off of “green” slogans.

The opposed strategies of syndicalists and electoral socialists lead to different conceptions of what “socialism” and “democracy” mean. Politicians tend to compete on the basis of what policies they will pursue through the State, which encourages a state socialist view that socialism is a set of reforms enacted top-down through the managerialist bureaucracies of the State.

A top-down form of power—controlled by the bureaucratic control class in state management—is not going to solve the ecological challenges of the present. The history of the “communist camp” countries of the mid-twentieth century shows that they were also quite capable of pollution and ecological destruction, rooted in cost-shifting behavior.

On the other hand, the syndicalist vision of self-managed socialism provides a plausible basis for a solution for the environmental crisis because a federative, distributed form of democratic planning places power in local communities and workers in industries, and thus they have power to prevent ecologically destructive decisions. For syndicalists, socialism is about human liberation—and a central part is the liberation of the working class from subordination and exploitation in a regime where there are dominating classes on top. Thus for syndicalism the transition to socialism means workers taking over and collectively managing all the industries—including the public services. This is socialism created from below—created by the working class itself.

Syndicalist movements historically advocated a planned economy based on a distributed model of democratic planning, rooted in assemblies in neighborhoods and workplaces. With residents of communities and worker production organizations both having the power to make decisions in developing plans for their own area, a distributed, federative system of grassroots planning uses delegate congresses or councils and systems of negotiation to “adjust” the proposals and aims of the various groups to each other. Examples of libertarian socialist distributed planning models include the negotiated coordination proposals of the World War I-era guild socialists, the 1930s Spanish anarcho-syndicalist program of neighborhood assemblies (“free municipalities”) and worker congresses, and the more

recent participatory planning model of Robin Hahnel and Michael Albert.

A twentieth-first century form of self-managed socialism would be a horizontally federated system of production that can implement planning and coordination throughout industries and over a wide region. This would enable workers to:

- Gain control over technological development.
- Re-organize jobs and education to eliminate the bureaucratic concentration of power in the hands of managers and high-end professionals, develop worker skills, and work to integrate decision making and conceptualization with physical work.
- Reduce the workweek and share work responsibilities among all who can work.
- Create a new logic of development for technology that is friendly to workers and the environment.

Production would have to shift away from a dependency on burning fossil fuels (such as converting an auto plant to making electric vehicles or trains), and a general green conversion program.

Some might say that this eco-sindicalist program is “unrealistic,” but state nationalization and shut-down of the fossil fuel firms (and forced re-organization of auto manufacturing and other industries) via American electoral politics is a fantasy. Moreover, the increased growth in radicalization and mass-scale disruptive movements that would be required to push that through would also provide the social base for a revolutionary transition to a more self-managed form of ecosocialism based on distributed popular planning.

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Chapter Six: Thinking About Anti-Capitalist Strategy

If we think about achieving liberation from the capitalist regime as described in the previous chapters, we can see some of the institutional changes that must happen. For example, working people can't free themselves from their subordination and exploitation by the dominating classes unless they gain the power to collectively self-manage the places where they work. But how to bring this about?

To achieve liberation we need a strategy, or "line of march." A plausible politics for replacing the capitalist regime requires realistic ideas about the methods of action and organization that could build a social movement with the real capacity to transform the society.

The levels of resistance and struggle that confront the powers that be have a long history of waxing and waning. There may be fairly long periods when resistance to the system is at low ebb. Conflict erupts from time to time along this or that fault line of the system. Sporadic protests or strikes take place, but the challenge to the system is not sustained or massively organized. And the number of radicals continues to be thin on the ground.

To illustrate what I mean by low ebb, we can look at strike statistics. Between 1967 and 1976—the era of the big social movement gains of the 1960s—each year averaged more than 330 major strikes—including major national wildcat strikes among postal workers, truck drivers, and railway workers. But since 2007 there's been an average of fewer than twenty major strikes per year. If we were to look at some earlier eras, such as 1933–37 or 1915–21, we'd see even greater levels of strike activity than between 1967 and 1976. That gives us a concrete idea of the difference between eras when worker resistance is flowing, and eras when it is at low ebb.¹

The recent low level of strike action is not limited to the United States, as a study by the International Labor Organization showed that, across thirty-eight countries, strikes declined by 80 percent between the 1970s and the 2000s.²

During periods when there is a rather small amount of collective struggle going on around us, people may feel they don't have power to

change things. If people don't see much action and solidarity against the powers-that-be in their situation, they may not look to mutual solidarity as a solution for issues that immediately affect them. They may think that they're on their own. In this situation, ideas about re-organizing society on the basis of worker control of the industries or democratic control of social policy by the masses are likely to be dismissed by many people as "a nice idea but unrealistic." Aims like these are not likely to seem possible unless people come to realize that they have the power to bring this about.

Thus people may pursue individualistic strategies for survival—trying to find a better job, taking classes to secure a credential or degree of some kind, or relying on personal networks. When managers and high-end professionals are in charge of our workplace and we're forced to take orders all day, it encourages deference to authority, and disobedience to people who have power over us can be scary.

The capitalist way of organizing social production doesn't just produce shoes and 7-Up and Apple computers. It also produces and re-produces a mindset that accepts the system—acceptance of "executive authority" and a belief that social hierarchy is "inevitable."

Even so, people may also have grievances or resentments from the assaults to their personal dignity from the boss having power over them, from the actions of their landlord, or from their struggles to secure wellbeing and survival. In this way, people can have a kind of "conflicted" mindset about the various institutions of the society.

When working-class resistance is at a lower ebb, the struggles that do happen will often be struggles of a particular sector of the working class who go into motion around particular issues that affect that group—low wages at a particular company, round-ups of immigrants, racist police behavior in a particular community, a fight against an effort to ban abortion, and so on.

But the particular mindset that people have about the possibility of change isn't written in stone. What if people in their workplace are banding together to support each other against management? What if strikes are becoming widespread? If people see effective collective action spreading in the society around them, it might alter the way people see their situation. Once they perceive that collective power is available to them, it can change their perception of the kind of change that is possible.

So a different mindset develops in a period when collective struggle

builds and becomes more sustained and widespread. This is when collective struggle shows that working people have power to challenge the employers and the authorities. When working-class people build unions and other organizations of struggle that they control, and develop collective solidarity in action, it begins to give them a sense of power, which changes their perception of what is possible. This idea is expressed in the closing stanza of the song *Solidarity Forever*:

In our hands is placed a power greater than their hoarded gold,
Greater than the might of armies, multiplied a thousand-fold.
We can bring to birth a new world from the ashes of the old for
the union makes us strong.

Organizations of struggle also create a space for workers who have a radical agenda for social change to connect with the grievances and concerns of other working people. Through this connection and solidarity, we can develop a social base for fighting for change.

An increasing level of mutual support among groups of working-class people is crucial to building a force for change because the growth of solidarity among the various groups who make up the working class is a key dimension of class power. The working class needs to develop its own class-wide agenda and “gather its forces” from the various areas and sectors of struggle to form a united bloc with both the power and agenda for change.

What I’ve been describing here is *class formation*. This is the more or less protracted process through which the working class overcomes fatalism and internal divisions (as on lines of race or gender, etc.); acquires knowledge about the system; and builds the confidence, organizational capacity, and the *aspiration* for social change. It is the process through which the working class “forms” itself into a force that can effectively challenge the dominating classes for control of society.

The oppressed and exploited majority do not “automatically” have this capacity to change the society. This capacity has to be developed over time. This tells us that there are various levels of organization and social power available to the working class at different points in this process. In an earlier period, struggles occurred from time to time but the order of the day for activists was organizing, popular education, developing links, and building struggles—which often have limited goals. Once participation and solidarity has grown and a more powerful and sustained social movement is emerging, more powerful kinds of challenge to the system becomes

possible.

The ups and downs in the history of the American labor movement illustrates this. There are certain periods when the working class was on a roll. Between 1909 and 1921, there was a growing wave of disruptive strike actions and several city-wide general strikes. There was also growing support for socialist ideas in the working class and growing popularity for the radical slogan of “workers managing the industries.” Hundreds of thousands of workers built independent industrial unions outside of the conservative American Federation of Labor.³

Periods of working-class upsurge like that don't just fall from the sky. There will have been a lot of ground-work in prior years—organizing, anti-system education, earlier strike efforts, new people drawn into action. During periods of mass insurgency, people are inspired by what others are doing, and they copy their methods. The period of the “Sixties” provides another example of how actions by one group of people can inspire others.

Many of the earlier organizing efforts against Jim Crow and race discrimination occurred in the '30s and '40s—such as the efforts of the International Labor Defense (a working-class civil rights organization based on methods of direct protest) or the call for a March on Washington in 1941 by Black socialist A. Philip Randolph (which led to Roosevelt taking the moves to ban race discrimination in military contracts).

Eventually the civil rights movement grew into a mass movement in the south and the north, through sit-ins and boycotts and mass marches and other kinds of actions. This led to victories such as the destruction of Jim Crow segregation in the south, and passage of the Voting Rights Act as well as laws banning race and sex discrimination in hiring, lending, and housing.

This social movement inspired the women's movement, Chicano movement, and gay liberation. That same period saw an insurgency among workers through wildcat strikes, movements to democratize trade unions, and strikes in the public sector—such as the Memphis sanitation workers strike and the many teacher strikes of that era.

When a period of mass insurgency emerges, it typically has new features. That's because new issues have come to the fore. New groups of people go into motion. New tactics come into play. People create new organizations. New political ideas may have gained currency. This tells us that a new period of large-scale working-class insurgency is not likely to

simply reproduce what happened in previous eras—such as in the 1930s or Sixties.

I've described the process of class formation here because I think it gives us a tool for evaluating proposed strategies and tactics. We can look at how helpful they are to building the self-organization, cohesion, confidence, and aspiration for change among the oppressed and exploited majority.

Socialism and Strategy

We need strategy to build a social movement with the capacity for liberating the oppressed and exploited majority from capitalism. A liberatory strategy is a proposed path toward the change needed to realize our vision of a society without the oppressive and destructive features of the present capitalist regime.

A strategy has various elements. First, we might ask, what is our vision of the society we want to build as a replacement? What are the changes we are aiming for? The type of society that emerges from a period of intense social struggle is likely to be shaped by the main social forces in the process of change. Thus the vision or program for change needs to be tied to an understanding of the kind of social movement we need to work for and the methods of struggle it builds on. For example, if the struggle is ultimately controlled by a political party that aims to nationalize the economy and build a powerful state, then that is likely to conflict with goals such as workers self-management of the workplaces and labor process.

Another element of strategy is an analysis of the constituency or social forces for change. Who is likely to become active and what would their concerns be? The tactics or methods are another ingredient in strategy: What kind of action and organization do we propose? Do we propose a strategy of building on grassroots self-organization and mass self-activity of workers and other social groups? Or do we propose to rely on elections and building an electoral political party as the centerpiece?

Finally, another starting point in strategic thinking is our understanding of the capitalist regime and its current dynamics and fault lines. The heart of capitalism is its class structure, which drives the process of capital accumulation. The capitalist class tends to monopolize the ownership and control of the non-human means of production. Because the working class do not have their own means to a livelihood, they are forced to seek work from the employers. And thus we are forced to submit to an autocratic managerialist regime that denies working people self-management of the

labor process—and denies us control over the system of social production in general. This is why the vision of “workers managing the industries” has to be a core part of the program for liberation. And it’s hard to see how this could come about without an ongoing, grassroots, organized worker movement—building resistance and struggle in the workplaces.

But capitalism isn’t just the system of class oppression and exploitation. The capitalist regime is layered with the destructive and oppressive fault lines I described in the previous chapters. Capitalism has always had its racist and patriarchal dimension and its top-down, bureaucratic state machine. The numerous fault lines in the capitalist regime also give rise to forms of resistance and social movements. Thus a strategy has to address the various forms of oppression and consider the ways the diverse areas of social struggle can be brought together.

Strategy and social vision tend to be closely linked. The vision for a replacement for capitalism is going to also influence our strategy since the strategy needs to have a good “fit” with what our aim is. The society that emerges in a period of heightened struggle and social conflict is likely to reflect the social forces that drove that change—their organizational practices and aspirations.

Bringing an end to the regime of class oppression and exploitation is going to require doing away with private ownership of the non-human means of production—the various facilities used in all the industries. This is why the movement for a replacement system is called *socialism*.

But socialism is a contested concept. Since the nineteenth century, socialists have differed in both their conception of the goal and their strategy for getting there. By the 1920s, a number of different “grand strategies” had been developed by different groups of socialists. These include cooperativism, the electoral strategy developed by socialist parties, revolutionary libertarian unionism (also called *syndicalism* in English-speaking countries), and the Communist movement that emerged in the wake of the Russian revolution.

Ever since the working class (men initially) gained the right to vote under North American and European systems of so-called “representative democracy,” groups of socialists have sought to use elections as a way to advance working-class interests. An important example of this in the United States was the American Socialist Party, which built local political machines in various cities between the early 1900s and 1919.

Electoral socialism is based on the assumption that the working class could gain political power by electing party leaders to office and then gradually create socialism through reforms legislated through the State. This is a *partyist* strategy because the assumption is that a political party could represent the interests and social aims of the working class.

Marx was a firm advocate for a party-based strategy, which won out in the debates about strategy in the “First International”—the International Workingmen’s Association (IWA) of 1864–72. Thus Marx was a strong supporter of a programmatic proposed at the 1871 London Conference of the IWA, as follows:

In the struggle against the collective power of the propertied classes, the working class cannot act as a class except by constituting itself into a political party, distinct from, and opposed to all other political parties. . . . The constitution of the working class into a political party is indispensable in order to insure the triumph of the social revolution, and its ultimate aim, the abolition of classes. . . . The conquest of political power has therefore become the great duty of the working class.⁴

But Marx didn’t believe the working class could capture and wield the inherited bureaucratic and military state machine of capitalist society. He believed that the working class had to create a new state—a “dictatorship of the proletariat,” and he saw the 1871 revolt by the masses in Paris as illustrating this idea.

In *The Civil War in France* Marx emphasized the democratic character of the re-organized governance set up that was created in the revolt. There was universal right to vote, and judges and other officials were elected. The old professional army was replaced by the militia-like National Guard with a working-class membership. Officials were paid a worker’s wage. Marx said this created “the basis of really democratic institutions . . . the tendency of a government of the people by the people.” But Marx did not emphasize the face-to-face democracy of neighborhood or workplace assemblies. His emphasis was on an improved representative democracy.

In *The State and Revolution*—written in late 1917 while the Russian revolutionary process was in full flood—V. I. Lenin makes clear his agreement with Marx’s view that the old state machine needs to be broken up and replaced with a new state. When the Russian Bolshevik leaders set out to create the international Communist movement in the early 1920s,

their aim was to create revolutionary parties that would differ from the more gradualist, reform-oriented electoral socialist parties.

The Communist movement's strategy was based on building mass working-class movements but with the aim of these providing a power base for a political party. The militants in the movements—the “vanguard”—would be drawn into a political party that would “manage” the overall social movement to attain state power for the party. The mass movements were viewed as a “transmission belt” for the party's aims. The central goal of the strategy was putting the leadership of a political party into control of the State—either through elections, mass uprising, or guerrilla war.

As I argued in a previous chapter, class oppression is inherent to the state structure, which is clear from the way public sector workers are subordinate to hierarchies of professionals and managers in the State. The State also excludes social self-management of public affairs by the masses. This structure makes the State “fit” for protecting a social arrangement where the masses are subordinate and exploited. The Communist movement's partyist strategy thus prefigured the empowerment of a bureaucratic class.

Although the Communists expropriated the capitalist class, the working class remained a subordinate class under the Communist Party-controlled regimes. In the wake of the Russian revolution, a new dominating, exploiting class emerged: political apparatchiks, industrial managers, elite planners, and military brass.

After the emergence of the Communist movement in the '20s, many electoral party socialists began to differentiate their politics from the Communists. By the Cold War era, the phrase “democratic socialist” had become a standard label the electoral socialists used to highlight their support for civil liberties and multiparty elections—in the style of western European or North American “representative democracy.” Although democratic socialists have evolved over the years in how they conceive of democracy, a core part of their politics has been a defense of “representative democracy.” This makes sense if we consider how electoral politics is central to their strategy for social change. In chapter eight I'll return to a discussion of “democratic socialism” and its electoral strategy.

Syndicalism

A third form of socialist politics that offered a competing strategy and vision with significant support in the 1920s and '30s was revolutionary

syndicalism—the main strategy advocated by anarchists or libertarian socialists in the period between the late 1800s and World War II. I believe that the history of the past century has vindicated many of the libertarian syndicalist criticisms of electoral party socialist and Communist strategies.

In this chapter, I explain and defend an updated form of syndicalism as a strategy that is relevant to the situation faced by contemporary working-class people.

Movements for changing the society start from particular fault lines in the system—as struggles emerge around particular issues or demands. Lacking the power to fundamentally change society right now, the changes we fight for at first are going to be limited. “Reforms,” in other words. But there are different ways that reforms or short-run changes can be fought for.

Some people might advocate the use of electoral politics as a strategy to fight for reforms—electing radicals or progressive reformers to government office. Others rely on the large foundation-funded, staff-driven non-profits or expect the full-time paid union hierarchies to represent us.

But syndicalists do not favor strategies of that sort because those strategies do not build on the direct participation, direct solidarity, and decision making of working-class people. Syndicalists do favor the fight for reforms and building social movements to push for popular demands—but through a strategy based on direct struggle and self-organization of the people who are affected by the issues. Even if struggles that take place at present are around a particular immediate demand or change, through this process we can build organized movements of the oppressed and exploited majority that can eventually develop the power for a more fundamental challenge to the system.

Syndicalism combines a libertarian vision of self-managed socialism with a grassroots movement-building strategy that has a good “fit” with that goal. Unlike party-oriented socialism, syndicalism tends to follow the libertarian socialist emphasis on face-to-face participatory democracy—in worker, union, or neighborhood assemblies.

The origins of syndicalism lie in the libertarian socialist tendency in the International Workingmen’s Association of 1864–72. “The emancipation of the working class must be the work of the workers themselves” was a principle stated in that organization’s statutes. Syndicalism is based on this idea of socialism being built “from below” by a mass working-class movement.

The idea is that working-class power in the workplaces and society can only be built by working people themselves—using their own action and solidarity through mass organizations they directly control. Syndicalism is an “extra-parliamentary” strategy; it is based on mass action and self-organization that develops independently of the politics of parties and elections.

From a syndicalist point of view, a potential for working-class liberation lies in the development of three tendencies:

- A strategy based on disruptive direct action—like strikes, work-to-rule, tenant rent strikes, and workplace occupations rather than relying on “professionals of representation” (paid union hierarchies, lawyers, professional politicians).

- *Self-managed unionism*: Workers taking direct control of struggles with the employers—and direct control of the mass organizations people use in such struggles. Syndicalists also advocate for self-managed mass organizations in other areas of struggle such as tenant unions.

- The emergence of a more active and wider solidarity among the oppressed and exploited majority—building a movement based on the principle “An Injury to One Is an Injury to All.” Class-wide solidarity and a coordinated movement are needed in order to maximize the potential power that working-class people have for making changes. The ultimate goal would be to bring the worker unions and grassroots social movements together into a common front or alliance to challenge the power of the dominating classes.

These methods tie in with the idea of working-class *independence*: Independence from professional politicians, political parties, and the paid hierarchies of top-down unions and bureaucratic non-profits. This is how working people can chart an independent course in struggles with the bosses and state authorities.

Syndicalism is thus a kind of self-organization strategy based on direct self-activity of workers and a participatory structure for member control—a kind of formally organized worker combat movement. Syndicalism was developed by self-educated worker militants, organizers, and publicists between the late 1800s and the mid-1930s. Syndicalism wasn’t a frozen “doctrine” but an evolving practical approach to building a direct form of working-class power. There were vigorous internal debates in those years. Both Marxist and anarchist ideas had an influence. During that era, large

mass union federations were built that combined a participatory, horizontal form of unionism with a commitment to libertarian socialism and “workers managing the industries.” Organizations of this sort emerged in various European countries, throughout Latin America, and in other parts of the world.

If militant, self-managed unionism were to develop in the twenty-first century as a core part of a grassroots alliance of social movements—with the tenacity and scale to challenge the system—a social movement alliance of this sort would look different than the syndicalism of the early 1900s or the mid-30s. Any concrete strategy and vision must take account of the major fault lines in society, the issues that have come to the fore, changes in capitalist society, and the social groups that can form a successful alliance of the oppressed majority. In what follows my aim is to present just a sketch of a contemporary version of libertarian syndicalism.

Self-Managed Class Unionism

The British writer R. H. Tawney once described capitalist management of the workplace as “autocracy checked by insurgency.” Workers rebel against management despotism in various ways. The resistance can be individual or collective. It could be that a group talks back to a department manager. Or maybe workers stick up for each other against a supervisor. People who’ve worked together for years may have their particular ways of looking out for each other or getting around management.

Informal resistance has its limits. Informal resistance may be based on these personal networks; for example, people may protest around the action of a boss, but the resistance may fade once that particular issue is resolved. That means there isn’t a sustained organization that can take on new issues that crop up. Creating a formal, democratic, participatory union organization makes it possible to have a sustained worker movement. In its grassroots form, a union is a form of association where workers come together to resist the power of the employers.

Large workplaces are often quite diverse—white, Black, and Latino workers, immigrants, people of different genders—and effective resistance to management needs to bring together a variety of people who make up the workforce. When we create a formal organization with a democratic, participatory character, it creates a framework for bringing diverse people together.

A union may start from an informal network of people talking about

the issues at that workplace. The first formal organization may be simply an organizing committee—people who have committed to build a union. The active workers who are initiating the organizing may first try to find out about what the salient issues are for people—what would motivate them to fight back? Learning this will come through discussions and listening to what people say. People who work together over a period of some months or years will have various conversations—either at work or at lunch or hanging out after work, and ideas about building a union can emerge in these spaces. The main issue may not be a purely “economic” issue, but could be something like sexual or racial harassment. Grievances like this can resonate with people because workers are vulnerable to arbitrary management authority.

A union is a mass organization in the sense that membership is based on the willingness of people who work for the same employer to stand up to the boss, to resist management. Part of what I mean in saying that a union is a “mass” organization is that it isn’t a self-selected group who seek each other out based on some common affinity such as a hobby like fixing up old cars, or the members of a socialist or anarchist group who come together based on their particular set of political ideas. A union is not a self-selected group because you don’t select who is there in the workplace with you. In a workplace you find yourself with people from different backgrounds who have different opinions about various things.

Being a mass organization doesn’t mean a union has no politics; when people are engaged in a struggle with their employer, it is inherently political. Like any organization of struggle against institutional power, a union will have a certain politics—ideas about how to organize, how it is run, how to relate to other organizations, the aims that it pursues. The union is an organization that contends with the structures of power in society. This makes it political.

Libertarian syndicalists want the union organization itself to be directly controlled—*self-managed*—by its members. A union is likely to be an effective means of struggle for worker aspirations only to the extent it is actually controlled by the workers themselves. This means that control of the union needs to be rooted in the face-to-face participatory democracy of general meetings or assemblies of the members.

Self-managed unionism is based on the idea of direct control of struggles by those who are directly affected. The emphasis on direct action

is part of this. When workers deal with grievances through our collective resistance in the workplace—not passing them up to arbitration or negotiation by paid officials—the issue is directly in our hands. If the union has an active presence in the workplace and is engaging in direct struggles, it puts the focus of the union on the workers and their situation. Self-managed unionism also means that links and relationships with people in other unions and social movements are built horizontally, by workers themselves, not relying on alliances built top-down by paid officials.

In a self-managed union we adopt a “we” consciousness where we create a joint commitment to work together in our collective struggle. We can come together to discuss our situation, brainstorm, make proposals. We give each other reasons pro or con on the proposals, and decide on a course of action. As partners in the struggle, each member has “equal voice and vote” in the meeting. Direct democracy is the foundation for collective self-management of a union and the struggles we take on through that organization. The union assembly is the place where we, the members, make the decisions.

Sometimes a union continues over time to be a minority of the workforce. Nowadays people call this “minority unionism.” Although a militant minority of the workforce can have an influence and gain concessions, a union needs to try to become a majority if it is going to be a powerful force against the employers. It’s hard to carry out a strike that halts production if this is not an action of the majority. Numbers are important.

Once a workplace union or shop organization becomes large enough, it may create a committee of elected workplace delegates or shop stewards. The shop delegate or steward is the person in the workplace who helps to get people involved in the union and in resistance in the workplace. They form the leadership of the movement on the job. The steward helps to “collectivize” the grievances people have and mobilizes people in the resistance activity. Electing people as delegates makes them accountable to the workers in the shop.

In American unions nowadays, shop stewards—if they exist—are often appointed by paid officials of the local union, which ties them to the political machine of the paid officers. They are not accountable to the members. In unions with a more grassroots character, there has often been a goal of having one delegate (or shop steward) for every ten workers. To justify appointed stewards, an SEIU paid organizer once told me that

elections would be “just a popularity contest.” But if the stewards are to coordinate and mobilize their co-workers in shopfloor resistance, they need to have the support and respect of their co-workers.

Delegates can play an important role in mobilizing workers and coordinating the effort to defend ourselves in the framework of the corporate despotism. A self-managed union needs to have an active shopfloor presence so that the union is based on the activity of the members.

Since World War II, American unions with contracts with employers have typically had “grievance procedures” with various “steps.” These systems were originally pushed by the National War Labor Board to put an end to the many strikes over workplace conditions during the war. The typical procedure pushes grievances or issues up the ladder to paid officials or lawyers who participate in hearings far from the workplace. This takes the issue out of workers’ hands. If the issue were fought out in the workplace, on the other hand, workers could use their direct solidarity with each other and their ability to stop work to push the issue. The effect of stepped grievance systems is to empower the paid officials and shift the focus of the union away from the workplace. The syndicalist approach is to reject these “stepped” grievance systems. The alternative is for grievance struggles to be pushed by the members and coordinated by the elected, unpaid shop stewards or delegates.

Syndicalists also advocate elected rank-and-file negotiating committees to conduct any negotiations with management or public authorities to settle strikes or other direct-action campaigns. People who negotiate the deal need to be people who will live with the consequences.

Another syndicalist-influenced union is the American Industrial Workers of the World. The Philadelphia organization of the IWW Maritime Transport Workers union (MTWU) in the World War I era provides an example. After several years of organizing, the IWW carried out a successful strike at a number of the major docks in the Philadelphia harbor in 1913. To negotiate a settlement to the strike, their local union—local 8 of the MTWU—elected a rank-and-file negotiating committee that reflected the diverse membership of the workforce: an Irish-American longshoreman, an African-American, and a Polish immigrant.

When paid officials of top-down American unions control negotiations, they often prefer to keep the members in the dark. This makes it easier for

them to get a contract because they can focus on the issues where company brass is more willing to bend, such as narrow economic issues of pay or benefits. The most important issues to workers may be ones the bosses are most intransigent about, such as issues of control in the workplace. Paid union officials are more likely to give in to the bosses on such issues because they don't have to work the job.

Member control over negotiations also means direct feedback—keeping the members informed about what is going on in negotiations. The United Electrical Workers union member guidebook mentions a number of methods for this:

- Newsletters
- Reports on website or through email
- Report-backs before work or at lunchtime meetings
- Phone tree
- Special stewards meetings so the stewards can inform the members⁵

Member control of this process also means a well-advertised member assembly where the proposed agreement is dissected, debated, and voted on.

Most syndicalists are not opposed to entering into written agreements with management, as an agreement that ends a particular strike or protest movement is a kind of truce in the class war. However, syndicalists are opposed to signing contracts with a “no strike” clause—an agreement that would make it a “breach of contract” if workers engage in direct action such as a slow-down, sick-out, work-to-rule, or a strike. This kind of agreement puts us in handcuffs. Managers often fail to enforce their own agreements or twist the interpretation—or test the resolve of a worker organization. Workers need to have the freedom to defend themselves through collective, direct action.

For unions to be self-managing, there must be programs or methods to train members, a way to learn how to do all the tasks of running a member-controlled union. American unions sometimes have programs to train shop stewards in unions that rely on stewards for dealing with grievances on the job. But staff-driven unions rarely have programs or trainings for rank-and-file members on how to organize, handle negotiations, and all the other tasks of running a union. If the members can run the union, what would be the role for the paid hierarchy?

Once a local union organization has built itself up to a certain size, it is

useful to have its own physical space—a union hall or worker social center. This provides a stable location, not just for meetings, but also for social get-togethers and educational events, such as speakers or workshops.

The direct democracy in self-managed unionism needs to be able to scale up. Self-managed unionism needs to be able to take on coordinated actions and solidarity among large groups of workers—such as in a city-wide or industry-wide strike, or action throughout a corporate chain. Coordinated action on a larger scale creates greater worker counter-power.

The need for coordinated action among larger groups of workers has often been the basis for arguments for centering control of unions in a paid professional layer outside the workplace. American national unions—so-called “international unions”—or large multi-employer local unions are often organized as a form of “democratic centralism,” akin to the “representative democracy” that statist politics are based on.

This means there is an executive of paid officers who have overall power to manage the affairs of the union and control the hired staff. This layer forms a kind of paid apparatus apart from the workers in the shop. The officers may be elected, but control of the union is “centered” in the control of this paid layer. With the stepped grievance systems, and the many details of the “private welfare states” American unions have negotiated, the union organization gets focused on the “servicing” of the particular relationship to the employer. It’s easy to lose sight of the need for a larger working-class politics or the issues workers face in their communities.

As they stay in office over the years, officials tend to develop interests that diverge from the members. They are no longer subject to the harsh discipline of supervisors and other conditions on the job. They will want to keep the level of conflict with the employers and the authorities within definite limits since their main concern will be the financial solvency of the union, which is the basis of their position and social prestige. Even if a person initially seeks to serve the interests of their coworkers as a union official, careerist impulses can take hold. In American unions, there are thousands of officials who make more than \$100,000 a year.

The libertarian, syndicalist alternative to this “democratic centralist” approach rests on the concept of *delegate democracy*. We’ve already met the idea of delegate democracy with the earlier discussion of shop stewards. The delegate works in the same facility as the people he or she speaks for and shares the conditions of the job. Because the delegate continues to work

with the people who elected her, she is going to hear what her coworkers think about the issues she is dealing with. She will be under peer pressure and scrutiny in her work as delegate. Delegates share the same conditions of life and work as their constituency. Delegates need to report back to the members and should be removable if the members are not satisfied. Delegates can always be over-ruled by their base; the assemblies or general meetings of the members can reject decisions of delegates.

Meetings of delegates elected by the worker groups at different facilities can be a way to organize solidarity and campaigns among workers throughout a company or industry, or a major struggle in a city such as a city-wide general strike. This is how delegate democracy provides the means for participatory democracy to scale up to a broader social and geographic focus.

Syndicalists have often proposed that a national union in a company or industry should develop as a horizontal federation of self-managed workplace unions. Solidarity and campaigns through such a federation can be organized through conferences of unpaid workplace delegates. Any ongoing coordinating committee can also be made up of unpaid delegates, who do coordination at the behest of their workplace unions.

The strike by the meat-packing workers at Hormel's main plant in Austin, Minnesota, in the 1980s is an example of how a group of workers came to move in this direction—proposing to replace the United Food and Commercial Workers (UFCW) union in the meat-packing industry with a new union that would be a horizontal federation of local workplace unions. The ability of the UFCW national officers to block a coordinated campaign from below by the local UFCW meat-packing unions, and their ability to cut off strike pay and remove elected local officers were ways that “democratic centralism” operated in the case of the UFCW. From this experience, the strikers began to develop a concept of a new type of industrial union in the meatpacking industry. The new union was called the North American Meat Packers Union (NAMPU), and it described its proposal this way:

We believe that we must return to the one plant/one local philosophy that built our old union [United Packinghouse Workers]. Your plant's rank and file will elect officers that live in your town—and answer only to you.

Your leaders will be able to represent you on a renewed [company-

wide] Chain Committee that bargains for you—not against you. Negotiations with the boss are never easy. Even so, we make one promise that the UFCW cannot match: For your contracts, your vote will be law. . .

North American Meat Packers Union is a federation of locals—controlled by locals. . . . The last thing we need is a new bureaucracy dreaming up new ways to feather its nest at “headquarters.” If your local decides to go its own way—even to go back to the UFCW, that will be your privilege. Rank and file control means rank and file control.⁴

Another aspect to rank-and-file control over a union is control of the administration of the union—maintaining the union and carrying out tasks the members want the union to do. Rather than the “strong leader” model, libertarian unionists emphasize “rank and file rule.” As a part of this, syndicalists have advocated term limits—mandatory rotation from office after a certain period. A system of worker education for the tasks of running the union helps to sustain this kind of practice.

Here we might look at the practice of Spanish unions influenced by libertarian syndicalism. These unions typically have “secretariats” (union administrative committees) that are made up of positions defined by a particular task—health and safety secretary, secretary of training, secretary of organizing, social action secretary, women’s secretary, and so on. A social action secretary, for example, would be responsible for coordinating the union’s work with other social movements—tenant organizations, women’s groups, direct action environmentalists, and so on. The union might also have volunteer committees—such as a social action committee—and the secretary coordinates the work of the committee.

In a 1938 article, entitled “Rank-and-File Rule,” veteran IWW organizer Fred Thompson describes how the IWW avoided long-time office holding:

We have officers, some voluntary, some on the payroll. . . . None of them are officers for many years. The various terms of office vary from three months to a year, and in no case can a member serve more than three successive terms. Thus our members are elected in and out of office.⁷

If they were to stay in office for life, Thompson says, they would begin to identify defense of the union’s financial state as their priority. “But they

don't stay," he continues, and thus "they look at the problems of organization in much the same way as the members do." He also points out that a "good portion" of the decision making takes place in general member meetings and in district or industrial union conferences of delegates. "All this results in cohesiveness and solidarity without the imposition of a central authority."⁸

The large Spanish libertarian, syndicalist union of the WWI to 1930s era (National Confederation of Labor—CNT) provides an example of how self-managed unionism can scale up to a very large movement. Spanish syndicalists still refer to the CNT's form of unionism as self-managed (*autogestionado*), assembly-based (*assembleista*) class unionism (*sindicalismo de clase*). A core element is the role of worker assemblies. Workers coming together in the face-to-face democracy of assemblies is important to building unity in struggles against the employers (as in running strikes), they enable the rank and file to set the agenda and determine the goals of the struggle, and are needed for control of their own union organizations.

Class unionism is not the same thing as industrial unionism. As Bill Haywood defined it, a class union "organizes all the workers against all the employers." The CNT federation in the 1930s was not a loose alliance of top leaders, with each craft or industrial union going its own way in the manner of the AFL-CIO. The local unions in a city or local area were united into a local federation to facilitate class-wide mobilizations as in general strikes. Through periodic assemblies and congresses of the regional federation, the delegates from all the industries would come together to debate and decide on a common class-wide agenda for the movement. This is how a "class union" works. Thus the local industrial unions were knit together into a single class-wide force. In this way, the labor movement was run through a horizontal, federative unity. The union provided a grassroots democratic framework and a setting of struggle that developed tens of thousands of militants—formed through the strikes and street battles as well as the storefront worker schools of the Spanish movement. The unions also provided a setting where the revolutionary militants in the union could connect with the grievances and concerns of other workers. The major city-wide or regional general strikes in Spain in the World War I era and again in the 1930s were key moments in building a sense of class-wide power, which helped to wean workers away from a reliance upon politicians. As worker class-wide power was demonstrated in practice, workers came

increasingly to look to their own movement as the basis for social change.

Building Capacity

Thus far we've been discussing the idea of workers directly controlling their struggles and their mass organizations—self-managed unionism. How do people learn how to be effective in running their own organizations, or organizing where they work? People often learn through doing the organizing, but knowledge and skills for organizing needs to be shared. A way that officials and staff maintain their control over unions is by *not* sharing what they have learned about organizing, negotiating, and running the union. Doing favors “for” members is part of how a bureaucracy builds a political machine to stay in office.

Sharing of information and skills—and learning about the system we're fighting—needs to be an organized effort. People can work at this either through one-off workshops or through on-going participation in a grassroots popular education program. A union, or other working-class organization, might have its own “worker school” to develop organizing ability and share skills among the members. A more effective grassroots unionism is possible if more working people have the skills and confidence to act as organizers and to participate in the running of their own union. This is why many syndicalists have stressed the process of “preparation” or “formation” of the worker as organizer and activist.

At present, the IWW conducts their own one-off organizer training workshops and has annual sessions at Work People's College. *Labor Notes* has also put on workshops with useful examples and information. An on-going local popular education program or “worker school” may be able to do even more in building skills and confidence for organizing. In the '30s, activists in the revolutionary syndicalist CNT unions in Spain built a kind of storefront popular education center, called an *Ateneo* (Atheneum). In the mid-1930s, there were dozens of these centers in working-class neighborhoods in cities such as Barcelona and Valencia. The centers hosted literacy classes, classes on public speaking, debates, cultural events, and workshops on “a wide range of topics, from ideology and tactics of the CNT to art, literature or the social sciences. . . . Collective debates and discussions . . . helped young militants to educate themselves.”²

Through the centers, working people developed as activists and organizers. Workers who were active in the CNT unions acquired confidence and skills that enabled them to be organizers on the job and

participate actively in the movement. Spanish libertarians of that era called this *capacitación*—building the person’s capacity to be a factor in social liberation. Building capacity in people is a part of building a self-managed form of unionism.

Unionism based on member participation, collective leadership, and rotation of people in responsible positions needs to have a way to develop skills, confidence, commitment and information among the members. A widespread process of preparation or education of members is essential if a union is to avoid becoming dependent on the knowledge and skills of a handful of militants and “representatives.” This is necessary for working-class social-movement-building in general, not just labor unions.

Disruptive Direct Action

If one person complains about arbitrary changes to work schedules, they may simply be ignored—or threatened—but the struggle can be collectivized by getting others in on the action. The discontent is harder to ignore if it’s an entire department that is at odds with management. If they all stop work and march to the manager’s office to press their case, it makes the resistance collective. Other forms of direct action include the slow-down or work-to-rule (in which people adhere strictly to regulations or written rules).

A strike is a form of collective direct action where workers stop work. To be effective, a strike needs to bring production to a halt. An effective strike cuts off the flow of profits to the employer . . . or shuts down the operation of a public agency. In other words, a strike has to be disruptive to gain power for workers.

Strikes happen in various ways. They sometimes occur “spontaneously” (for example, in reaction to someone being fired). However, if a group of workers have built over time a strong in-the-shop organization and developed links to other unions and community organizations, their strike is more likely to be successful. Preparation, unity, and organization are important to a successful strike. An effective strike can’t be organized overnight; preparation should have been going on for some months—listening to concerns of various groups and building unity. A poorly organized strike is likely to create internal resentments between people and can take a long time to heal from.

Action is *direct* to the extent people are carrying it out and controlling it themselves. A form of resistance is *indirect* when workers are relying on

others to secure a change for them—for example, lobbying or voting for politicians in the hope they will enact a reform favorable to us. Resistance is also indirect to the extent workers are relying upon the paid staff and officials of a union to control negotiations with employers, represent us in arbitration, schmooze with politicians, or build alliances by chatting up executive directors of non-profits.

According to the French anarcho-syndicalist Emile Pouget, direct action is “the plain and simple fleshing-out of the spirit of revolt: it fleshes out the class struggle, shifting it from the realm of theory and abstraction into the realm of practice and accomplishment. As a result, direct action is the class struggle lived on a daily basis, an ongoing attack upon capitalism.”¹⁰

To the extent that workers organize this action themselves and control the struggle against the employer, it is a form of worker *counter-power*. Counter-power means that people are organized *independently* in a struggle against those who hold institutional power over them.

Even if a strike is organized through a union with a hierarchy of paid staff and officers, the mass participation of the members makes it a form of direct action. When workers have stopped work and are picketing and protesting, it puts the focus on the solidarity and activity of the workers themselves. To the extent that the participants depend on paid officials and staff to do negotiations and control strike strategy, the action is also somewhat indirect.

Direct action is not the same as action that is merely symbolic. Sometimes a symbolic action such as a protest march can be useful too—to raise popular awareness, show support for a struggle from various groups and constituencies, or show the extent of discontent. And this can help to build confidence.

Direct action actually disrupts “business as usual.” From a syndicalist point of view, this disruptive character is essential to direct action. Other forms of protest—such as a march or demonstration—may be participatory, but the power of direct action lies in its ability to shut down the flow of profits to the firms or short-circuit the plans of bosses.

In recent years, there have sometimes been events that are called “strikes” where activists who don’t work at a facility are recruited to picket outside a fast food restaurant or big box store but few workers from that facility are present and “business as usual” continues in the store. These events are often orchestrated by a top-down union such as SEIU or UFCW,

or staff of a non-profit. It's highly misleading to call this a "strike"; these are really just PR events. An actual strike needs to shut down the workplace so that the flow of profits to the owner are shut off, or the work of a public agency grinds to a halt. That's how workers exercise some actual social power.

Employers depend upon the cooperation, skills, and diligent effort of the employees. Workers sometimes resist management by being less "cooperative." For example, people may refuse to work extra hours when asked, or scrupulously following rules in a way that slows down work ("work to rule"). The direct participation of workers and the real effect on the workplace are what make this a form of direct action. Over time, a campaign for changes may combine elements of symbolic protest and direct action.

Direct action is not the same as civil disobedience. Civil disobedience is an action that defies laws or rules, such as a group of people sitting down in the freeway to protest a war or a police shooting. Civil disobedience can be either symbolic or a form of direct action, depending on the extent of the disruption. When coal miners laid down in roads leading to mines during the Pittston strike in 1989, for example, it was civil disobedience that helped to shut down the mining operation. That's why it was direct action.

A very powerful type of direct action takes place when workers stop work and seize control of the facility: a workplace occupation. Between 1933 and 1937, there were more than a thousand workplace occupations—"sit down strikes"—in the United States. The occupation has many advantages over the strike where workers walk out and form a picket line. If workers are occupying the workplace, the employer can't bring in scabs to keep the work going. When workers are outside on a picket line, they may be subject to violence by police, vigilantes, company supervisors, or strike-breakers crossing the line. The history of the US from the 1870s to the 1930s is littered with cases of violence against strikers by vigilantes, hired security agents, the National Guard, and police.

Plant occupations are a form of disruptive direct action because they bring work to a halt and stop the flow of profits to the employer. Although occupations have a certain power in and of themselves, large scale outside support is highly desirable. In the 1930s, American unions typically organized mass support such as large-scale picketing by community supporters.

Although workers are not as exposed during an occupation as they would be on a picket line, there have been cases where police were brought into the workplaces. When members of the Mexican Metal and Mine Workers union occupied the huge Cananea copper mine in Sonora in 2008, the government brought in a heavily armed federal police force to remove the strikers.

Of course, there are cases where occupations are a symbolic protest—for example, the occupation of Zuccotti Park by Occupy Wall Street. No corporate or government operation was brought to a halt, and the encampments were sort of a continuous demonstration. As with mass demonstrations, the occupations of public space in 2011 were a way to make a visible public statement. Polls showed that most Americans agreed with the Occupy message—critique of the financial elite and class inequality. The coordinated police actions against Occupy throughout the United States at the end of 2011 was a state action to suppress Occupy’s subversive message.¹¹

Labor historians say the first workplace occupation in the United States was an action by members of the Industrial Workers of the World at General Electric’s Schenectady, New York, plant in 1906. The IWW tended to emphasize activity inside the shop in order to encourage participation in actions and build a living presence for unionism at work. Slow-downs and stop-work occupations were inside actions among a menu of possibilities.

Veteran IWW militants were involved in the first sit-down strike in the 1930s—a takeover of the Hormel meatpacking plant in Austin, Minnesota, in 1933. In the wake of the plant takeovers at General Motors in 1936, a huge wave of perhaps a thousand workplace takeovers spread over the United States. This was a crucial moment in the building of on-the-job union organization and changing the balance of class forces in American society at the time.

In the post-World War II era, large-scale workplace occupations have been rare in the US. The paid hierarchy of the CIO unions already worked tirelessly to stop the practice of sit-down strikes in the late ’30s.

Workplace takeovers have occurred historically in a variety of circumstances. The Republic Windows and Doors takeover in 2008 was, as Kari Lydersen says, more akin to “the factory takeovers in Argentina following the country’s 2001 economic collapse. Tens of thousands of workers took over idle factories that had made everything from auto parts

to leather to chocolate and ran the companies themselves.”¹² More than fifteen thousand workers in Argentina now run 350 “recuperated” enterprises, typically organized as a cooperative. “Recuperations” of workplaces have also taken place in Uruguay and Brazil.

As Dario Azzellini has pointed out, the re-emergence of efforts to take over production in various periods shows how the aspiration for worker control has “frequently emerged as an inherent tendency among the rank and file.”¹³

Taking control of workplaces to continue as a cooperative in the capitalist framework may have certain immediate advantages—saving jobs and gaining some say in one’s work. But worker cooperatives will be under great pressure to conform to the same practices as competing capitalist firms.

In addition to these situations where workplace occupations occur as a limited tactic without challenging the larger institutions of capitalist society, workplace occupations have also occurred as a part of revolutionary situations where the working class was moving to break down the larger capitalist framework and build a society-wide shift to self-managed socialism—as in the workplace takeovers in the Spanish revolution of 1936 and the October 1972 mass workplace takeovers in Chile. For syndicalists, this generalized takeover of social production—the “expropriating general strike”—is an essential part of the process of social transformation towards libertarian socialism.

Class-wide Solidarity

In addition to direct worker control of struggles and unions, and disruptive direct action, libertarian syndicalism is based on the idea of unionism as a class-wide solidarity movement. Solidarity is fundamental to building a movement that can unite larger numbers in struggle against the system. Solidarity is based on concern about others, but in a context of struggle against an oppressive enemy. When people take action in solidarity with others, it’s sort of understood that other people might do likewise for them at some point down the road.

People have a tendency to learn first about the form of oppression they are subject to. When people are engaged in a collective struggle against the bosses, they face a situation that encourages them to think in terms of “us” versus “them.” They are faced with the basic antagonism of class against class.

But in thinking of “us” against “them,” people may think at first only of “us” as people who are like them in some way narrower than *all* working-class people—people in the same occupation, people who look like them, who work for the same employer, people of the same gender or the same nationality.

When workers take on their employer in an action such as a strike, they are likely to find the various institutions of society arrayed against them: Courts may issue injunctions; police or sheriff’s deputies often act on the side of the employer; the corporate media might portray the strike in a bad light. This is often a learning experience—learning about the nature of the system we live under.

This situation can lead people to reach out to other groups for support, and when they do so, they may find others engaged in struggles of their own, and learn how the system steps on the toes of other groups of working-class people. This can lead to a broader concept of who “we” are—the “we” who are oppressed by the dominating classes. And through this process people may come to support the struggles of other groups of people—people who are different from themselves.

The workforce in many industries and companies is quite diverse these days. Developing solidarity—getting people to support each other—in this setting encourages an understanding of “we”—the people we are in solidarity with—as including people whose background or “identity” are not the same as oneself.

When workers stop work and walk to the manager’s office to support a grievance of a particular worker, this is solidarity on a small scale. Solidarity can extend throughout a particular sector. For example if teachers were to stop work to support a strike of school bus drivers, it would be a sympathy strike.

With solidarity there is also a distinction between direct action and actions that are more symbolic. A statement or a peaceful demonstration in support of a group in struggle is a more symbolic form of solidarity. The sympathy strike is solidarity as direct action. Sympathy strikes have not been common in recent years in the USA but sometimes they do occur. On November 2, 2011, in support of the aims of the Occupy Movement, a shutdown of Oakland’s port took place as 20,000 people massed at the terminals. In the morning that day, a large group of longshoremen refused work assignments at the union hiring hall—this was a wildcat sympathy

strike. In 2003, dock workers in Los Angeles walked out in a show of solidarity with seventy thousand grocery workers locked in a grueling strike against cuts to health care benefits. On May 1, 2015, port workers in Local 10 of the ILWU stopped work for the day in solidarity with the movements against police brutality in Baltimore and Ferguson, Missouri.

Syndicalists aim to build a form of unionism that becomes the movement of a united working class against all the employers, but that is not possible when unionism is limited to purely sector-by-sector struggles or to negotiations and struggles at individual employers. This is why cross-sector actions such as sympathy strikes are important.

If workers on strike at an auto factory can get railway and trucking workers to block deliveries, they can prevent the company from starting up work with strike-breakers. This is very powerful—and this is why the Taft-Hartley Act banned secondary action. To have an effective labor movement, workers have to be able to defy or get around these laws that are designed to keep us down. At present, the Railway Labor Act does not ban secondary action. If workers are on strike at a warehouse or refinery, they can put a picket line where the private spur meets the railway line. The pickets can persuade the train crew to not drop off or pick up freight cars at that site.

Dock workers are likely to think about solidarity action since dockers have links with each other around the world, and occasionally refuse to handle cargo as a form of active solidarity. When dock workers in Iquique, Chile, struck in 2013 over chemical exposures, the Chilean government only began to negotiate with them after the dock worker unions in Spain, Italy, and Portugal threatened to boycott ships from Chile.

An example of this occurred in the US in the fall of 2010 after Del Monte decided to move its transport of produce to a non-union operation in Philadelphia, which would put three hundred union dockers out of work. Dock workers from Philadelphia picketed out longshore workers in the New York/New Jersey area. This solidarity action continued despite a court injunction and opposition from the bureaucrats of the International Longshoremen's Association. After two days, Del Monte promised to negotiate and the pickets went home.¹⁴

Syndicalism has always been internationalist—opposing nationalist or racist ideologies and projects. Economic interdependence and the global nature of capitalist power means that a movement for working-class liberation needs to develop as a globally-linked solidarity movement.

An internationalist orientation favors the development of links and solidarity across borders—especially links among grassroots unions and community organizations. As the capitalist system has become more globalist in its operation over time, corporations have become globe-straddling, labor-exploitation regimes—both directly and through a myriad of sub-contracting relationships and contract manufacturers. With capitalism working as a global factory, the ability to coordinate struggles across borders and along the lines of transport and distribution becomes more important. A coordinated strike in 2018 against Amazon by employees of that global firm in Spain, Poland, and Germany illustrates the potential for coordination of worker actions across borders. That was the second trans-national strike to hit Amazon in Europe.

Class solidarity is summarized by the slogan “An Injury to One is an Injury to All,” which acknowledges that various groups within the working class may be subject to forms of mistreatment that others are not. The working class is heterogeneous, and various groups of people are subject to distinct forms of oppression. The workplace is a location where class oppression intersects with the oppressions around race or gender status that working-class people are subject to.

This can include things like sexual harassment, or meting out harsher discipline to Black workers than to white workers in the same situation. For example, sexual harassment is still a very common experience for women in low-paid jobs, such as women who work in restaurants or in farm labor. A study of farm worker women found that 80 percent have experienced sexual harassment on the job. In the organizing by the Coalition of Immokalee Workers, they found a woman was fired after she complained about a crew leader’s uninvited visits to her cabin after her husband left for work. These problems led the CIW to negotiate the right to organize against sexual harassment in its Fair Food Code with Florida growers.¹⁵

In a recent wildcat strike at a Target big box store in Virginia, the issue in the strike was “sexual harassment and racial discrimination directed primarily against the Latino employees.”¹⁶ They demanded the firing of the store manager; their demand was met. The struggle against sexual harassment in work is a class struggle issue. Workers are aware of their vulnerability to arbitrary management power. Thus it’s possible to bring workers into a collective action against sexual or racial harassment even if they are not of the same identity as the person who is being harassed.

Wide differences in pay scales or pay differentials may mean that workers of color are paid less than their white counterparts. Building class solidarity means these issues have to be addressed. Making sure that Black Lives Matter in the world of work (as well as in the community), for example, means building organization and solidarity with Black workers. If a group of workers take up a struggle to demand the firing of a racist supervisor, it is *both* a class struggle and an antiracist struggle.

Rank-and-file organizers can try to build support for the grievances or concerns of particular sub-groups in the workforce in a variety of ways, such as by talking about the way management uses favoritism to divide us, or by laying out a vision of the greater power the working class gains from greater unity and how a more powerful labor movement can win more far-reaching changes.

Being able to treat groups of people worse is a reason that capitalism tends to exploit on-going patterns of racial and gender inequality. Playing favorites is a tactic to prevent people from uniting against management. Firms can benefit when there are groups of people who they can pay less, provide fewer benefits to, or subject to worse conditions.

When revolutionary unionism was more influential in union struggles in the earlier decades of the twentieth century, sometimes industrial unions would directly attack the wage differentials imposed by employers. They would do this by fighting for higher wage increases for the lowest paid in strikes. Where women or workers of color are stuck in the lower paid jobs, demands of this kind are a fight for racial and gender justice.

Developing a bond of solidarity and struggle across social groups in the working class builds greater collective power. If unions act as the hammers of social justice, and support the struggles of groups of working-class people against the various forms of mistreatment or discrimination, it is much harder for our enemies to simply dismiss the unions as “a special interest group.” Solidarity creates the basis for a movement that can act together on a larger scale, and therefore a movement with greater potential to change the society.

Class-wide solidarity is important to the process of class formation—building a force for changing the shape of society. The working class needs to develop its own class-wide agenda and “gather its forces” from the various areas and sectors of struggle to form a united bloc with both the power and agenda for change.

Building class-wide solidarity has various dimensions, such as:

- Developing solidarity around the concerns of the various oppressed sub-groups that make up the working class, as in struggles against racism, ableism, and sexism
- Cross-sector solidarity as expressed in actions such as sympathy strikes, drivers refusing to cross picket lines for deliveries, or a general strike to support a group of workers in struggle
- Service workers developing a supportive relationship with the users of the services through a defense of the interests of the users, such as teachers fighting for higher quality education or the needs of their students, or bus drivers pressing their demands while running the buses but refusing to collect fares or working with residents for expanded bus service
- Worker organizations taking up the wider concerns of workers such as struggles in the community around high rents or landlord abuse or building campaigns for class-wide demands such as free comprehensive health care or a shorter workweek. Engaging with important issues that arise in the community is essential to unionism being an effective force in the life of the working class

Struggles Outside the Workplace

Although our subordination in work is the heart of class oppression, the class power structure—and resistance to it—spreads throughout the society. Sectors of capital exploit workers as consumers, as with the rent extracted from a worker's income. Poorly paid workers who live paycheck to paycheck are exploited by sectors of finance capital that charge extreme levels of interest at pay-day loan stores.

Class struggles take place outside the workplace in various areas, such as struggles of tenants against eviction or against poor maintenance of buildings by landlords. Mass struggles dealing with other issues that affect working-class people also occur outside the workplace, as in the case of fights against racist police brutality or harsh school district rules on students being late for class.

Struggles also take place around the “social wage”—services or collective forms of consumption financed through government funding, such as transit fare subsidies or funding for low-cost social housing. For example, struggles against fare hikes have taken various forms, like the on-going fare evasion campaign to force lower fares on the Stockholm subway (developed

originally in the early 2000s by the Swedish Syndicalist Youth Federation) or the 1998 fare strike on the Los Angeles bus system by the Bus Riders Union. Alliances between transit rider organizations and transit unions have sometimes blocked fare hikes (as on MARTA in Atlanta some years back).

In the 1920s and 30s, syndicalist unions often developed campaigns around issues outside the workplace such as high rents. In the mid-1920s, Catalan syndicalist theorist Juan Peiró argued that the CNT needed to take on broader issues related to a worker's life in order to avoid being limited by sectoral struggles against particular employers. He proposed that the CNT develop a district organization to be a center of struggles outside the workplace. The CNT eventually created ward assemblies, which were not open meetings of neighborhood residents but meetings of the CNT members who happened to live in a particular neighborhood.

Through the member discussions of social issues that were seen as particularly important at that time, a campaign for lower rents was developed in 1931—eventually leading to a massive rent strike with the participation of one hundred thousand people at its peak. The rent strike was the event that galvanized the CNT to further develop its neighborhood committees, which played an important role in the Spanish revolution in 1936.¹⁷

The Brighton Housing Union in Brighton, England, is a contemporary example of an organization of renter struggle formed by a libertarian syndicalist organizing group (Solidarity Federation). In one year of activity and organizing they were able to force rent reductions, repairs, and return of deposits for the benefit of various renters.¹⁸

In more recent years, some libertarian socialists in the United States have discussed the idea of using syndicalist ideas of organization and direct struggle to build on-going mass organizations in areas of struggle outside the workplace—as in building tenant unions or transit rider groups. Some people call this *community syndicalism*. The idea is to carry on struggles not as a one-off fight but through an on-going organization grounded in assembly-based decision making, training people how to organize, delegate structures, and in the use of mobilization and direct struggle.

Direct action in workplace struggles is rooted in the leverage that workers have on the job. Employers need our cooperation to get the work done so they can make profits. If we stop work, we can bring the flow of profits to a halt. For public employees, we are needed to carry out the

political agenda of government leaders, and we can shut this down by withholding our labor.

What leverage do we have outside the workplace? Advocates for community syndicalism point to various ways tenants have leverage, such as their ability to withhold rent or harass the landlord or property management firm in various ways.

A good example of this is the 2018 rent strikes in areas of Los Angeles, such as the Highland Park and Westlake neighborhoods, led by the LATU. Referring to a recent rent strike in Highland Park, Julian Smith-Newman of the LATU pointed out that this was a “pretty drastic, strong, and courageous step.” LATU has organized chapters in various parts of the city: “The Northeast Local chapter of the L.A. Tenants Union helped the renters form an association, which newer tenants of the building have also joined. Tenants were then encouraged to post fliers on their windows to protest rent hikes and living conditions in the complex.”

In the Highland Park rent strikes, buyouts by corporate investors led to huge rent hikes. One of the renters was “taken aback when in March he received notice that rent for his two-bedroom apartment would be raised from \$1,160 to \$1,860. He found out he wasn’t the only one. Tenants living there between five and twenty years were informed their monthly rents were going up by \$500–\$700.”¹²

Some Solidarity Networks or tenant unions have built up groups of community members who are willing to support others. They then mobilize people from their networks to protest against landlords—to demand return of deposits or to fix problems in buildings. Even without a rent strike, tenants have been able to gain concessions from landlords simply by organizing together and making common demands.

There has been a tendency for some tenant organizations in the US to evolve into staff-driven 501c3 non-profits, funded by philanthropies. Going this route tends to lead to a narrow legalistic approach and a limited definition of the purpose of the organization. It may be able to mobilize people in protests—or to lobby or vote for changes to the laws (such as stronger rent control)—but it’s not going to build a sense among working-class people that “this is our organization.”

With sufficient power, an organized movement can not only block increases in rents but demand a rollback if an area has recently gone through rapid rent inflation—when landlords use a housing crisis for rent

gouging.

“Avoiding the transition to acting as a lobbying agent and focusing on direct action and direct democratic organizing,” writes Shane Burley, “is central to developing a community syndicalist strategy”—a strategy based more on confrontation and mobilizing community solidarity.²⁰ We can see this kind of approach in tenant victories won by Solidarity Networks. Burley also points to the example of the various agreements won by tenant associations in struggles over bank-foreclosed buildings in Boston in the wake of the 2008 financial panic.

Nonetheless, the dominating classes cannot be defeated solely by community organizations (landlords are only one sector of capital). What is needed is the development of an alliance between militant worker-controlled union organizations and grassroots organizations in the various other spheres of struggle. This strengthens both the worker organizations and the struggles outside the workplace. As Burley put it: “Community syndicalism [cannot] succeed without a militant wing inside the workplaces.” The defeat of capitalism requires the working class to ultimately take control of the means of production and re-orient the system of social production for social benefit.

A Social Movement Alliance

To effectively challenge the dominating classes for control of the society, the grassroots worker organizations of struggle would need to bring together a working-class-based front or alliance of social movements that would be “counter-hegemonic”—capable of offering an alternative future for the society in opposition to the leaderships from the dominating classes.

A social movement alliance of this sort would bring together worker organizations of struggle with other social movement organizations that have developed along the various fault lines of the society—such as grassroots tenant and environmental organizations.

Unionism needs to take on an antiracist and feminist character to unite a working class who are subject to a variety of forms of oppression and exploitation. Issues of racial and gender equity enter directly into the struggle in the workplace, as with struggles against racist and sexual harassment and discrimination.

Capitalism is a competitive system that puts different groups of workers into competition with each other. If workers go along with discriminatory practices toward people different than themselves—towards women, gay

people, people of color, immigrants, or whoever—it divides the working class in ways that prevent working people from developing the solidarity and cohesion and social power to challenge the power of the dominating classes. This is why the working class needs a movement that supports struggles along all the lines of oppression if it is going to build the social power that can challenge the capitalist regime.

Because a union is likely to focus first and foremost on the fight with the employers, there are probably limits to how much a worker-controlled union organization can take on struggles against the various areas of oppression and exploitation in society. But it is possible for such an organization to relate to issues and struggles outside the workplace by developing alliances with other social movement organizations that have a similar grassroots character and similar values. Building an alliance means showing support and backing each other's concerns and struggles.

As an example, some of the libertarian, syndicalist-influenced unions in Spain have tried to build alliances of this sort. In national general strike mobilizations, for example, unions such as the CNT have tried to develop a “class front” among a variety of radical unions and mobilized the support of other like-minded grassroots organizations in strikes—housing squatters, women's groups, environmental groups.

Although syndicalist unions in the pre-World War II era were mostly focused on uniting the working class into a single “class union,” there were cases where libertarian union organizations developed alliances with mass organizations that were directed at other aspects of oppression than the labor/capital relationship.

An example is the alliance between the syndicalist CNT labor unions and the *Mujeres Libres* in the Spanish revolution in the '30s. *Mujeres Libres* stated that its purpose was to liberate women from the “triple enslavement” of “ignorance, enslavement as women, and enslavement as workers.” Thus they viewed the oppression of women as distinct from the class regime but also believed that the liberation of working-class women was inseparable from the liberation of the working class.

The organization developed in the early 1930s out of a women's caucus in the CNT unions in Barcelona. Their aim was to build the capacity of women to participate more affectively in the unions and in the struggle for liberation. To do this they developed literacy classes, study groups around social issues, public speaking classes, and the like. To overcome the *machista*

(sexist) attitudes of men—including CNT members—the *Mujeres Libres* believed that women had to be able to stand up in meetings and hold their own in debates with men.

Spain's present-day radical union, the CGT, identifies with aspects of the legacy of the revolutionary syndicalism of the CNT of the '30s—including the legacy of *Mujeres Libres*. In its workshops for women workers, the CGT points to the legacy of *Mujeres Libres* in explaining the union's commitment to "*anarcofeminismo*." The CGT has a practice of organizing *encuentros* (meetings) and workshops of women members and has various women's groups attached to local groups of unions. At nationwide *encuentros*, the CGT women discuss and develop campaigns for the union on gender issues, such as the CGT's campaign for free abortion on demand.²¹

Because libertarian syndicalism approaches working-class struggle and social change through self-organization, it makes sense for syndicalists to recognize autonomous organizations that emerge along the various fault lines in a society split by various distinct but inter-related forms of oppression.

If libertarian syndicalism can re-emerge on a mass scale in the coming years and coalesce social forces with the numbers and strength to challenge the system, it will look different than the syndicalism of the World War I era as forces will come together as an alliance of grassroots social movements.

At present, leaders of bureaucratic unions in the United States do sometimes talk about "social unionism" and try to develop alliances with other social movements, but this tends to happen through paid hierarchies of the unions talking to leaders of foundation-funded non-profits. This is different than an effort of rank-and-file worker organizations to build relationships with grassroots social movements.

The elements for such an alliance could include grassroots, participatory social movement and struggle organizations, such as environmental and climate justice groups, groups working around racial justice issues such as police brutality and mass incarceration, immigrant rights groups, tenant organizations, and the various organizations that self-manage social resources, such as social centers, cooperatives, and so on.

The vision or goals of the movement are likely to reflect the diversity of the social base that drives change. Working people can't be successful in

struggle against the dominating classes without getting diverse groups of people together and building increasing levels of mutual support to each other's struggles. A movement for liberation has to address not only the oppressive class structure of the regime, but the various other structural fault lines that generate struggle and social movement pressures on the system.

The working class can't liberate itself unless it can "form" itself into a movement that aims at general social liberation—addressing issues like the oppressive character of the state, the patterns of racialized and gendered inequality, and the ecologically ruinous character of capitalist dynamics.

Looking at the big picture, the syndicalist emphasis on building a new worker-controlled unionism in the workplaces of a changing economy—in the big retail stores and new warehousing and distribution systems and on and on—and building social movements in the cities—is not "merely economic," it's about building the social power to push for greater changes going forward. "Politics" is about power in society; it's not just about elections and political parties.

Periods of mass popular insurgency are not really predictable. In such a period, solidarity and connections between different mass organizations may deepen, and struggles may work to sharpen antagonisms with the powers-that-be and various organizations may come closer to agreement on the goals for the movement and on their tactics. The activists who form the core of the kind of libertarian social alliance I've described may seek to sharpen these antagonisms and develop their front's leadership influence in the struggle against the institutions of the inherited capitalist regime. The ultimate aim would be to build popular power, that is, to transfer collective authority for making decisions—in the workplaces and the larger society—to the worker and community organizations.

Why the Working Class?

The syndicalist emphasis on direct worker struggle, self-organization, and class solidarity isn't based on some assumption that workers are necessarily "nicer" or more "moral" than people of the bureaucratic and business classes. Nor is it based on an *a priori* "Marxist labor metaphysic" (as C. Wright Mills put it).

Syndicalism looks at the project of social change from a working-class point of view. The working class is an oppressed and exploited group, and as such it has the right to seek its own liberation.

As a revolutionary strategy, syndicalism is based on worker struggle and self-organization providing a basis for a process of revolutionary change. Workers have the ability to shut down workplaces in strikes—and to shut down whole cities in periods of mass insurgency. Also syndicalism makes sense as a method of transition to working-class power because workers have the skills and knowledge to run the workplaces. As hinted at in periods of takeovers of industry, workers have the potential to shut out the dominating classes, take over control of the industries, and run the society themselves.

There are a number of criticisms that have been leveled at the syndicalist strategy in recent decades. Looking at the low levels of struggle and the conservative and bureaucratic character of the unions, some radicals are skeptical of the idea of grassroots unionism re-emerging as a revolutionary force. This led many radicals in the 1960s to abandon the working class and look for other “agents of revolution.”

Murray Bookchin offers a good example of this way of thinking:

Contrary to Marx's expectations, the industrial working class is now dwindling in numbers and is steadily losing its traditional identity as a class. . . . Present-day culture [and] . . . modes of production . . . have remade the proletariat into a largely petty bourgeois stratum. . . . The proletariat . . . will be completely replaced by automated and even miniaturized means of production. . . . Class categories are now intermingled with hierarchical categories based on race, gender, sexual preference, and certainly national or regional differences.²²

However, syndicalists did not place exclusive emphasis on workers in “basic industry” (the “industrial proletariat”). Instead, syndicalists understand the working class as the entire class of people who do not have their own means to a livelihood and must seek work from employers, submit to control by bosses, and are not part of the management regime over other workers. This includes workers in retail, health care, warehousing, transit systems, and so on. Moreover, as advocates of class unionism, the syndicalist strategy is aimed at developing a class-wide movement based on solidarity across all sectors.

Employment in manufacturing in the United States has diminished partly due to the capitalist elite moving locations of production to avoid unions and lower their costs. At the same time, capitalist firms constantly

seek technological change and work intensification. This is the main reason for the decline in manufacturing employment—a trend that was already at work back in the 1920s.

One of the barriers to unionism in manufacturing is the widespread use of workers from temp agencies. For example, the BMW auto factory outside Spartanburg, South Carolina, employs ten thousand workers and is the largest BMW factory in the world. To keep the workforce under control and keep costs low, BMW hires about 60 percent of the workers from temp agencies—with low wages and virtually no benefits. It's an approach that is used in various kinds of factories in the United States, and a new unionism will need to completely destroy this temp labor system to rebuild unionism in manufacturing.

Despite the relative decline in jobs in manufacturing, there is an increasing concentration of workers in large workplaces—big box stores, hospitals, large warehouses, etc.—and the globalized nature of production has made the transport system ever more central. Also, the globalizing tendencies in capitalism have added vast numbers of manufacturing workers in many countries outside the older capitalist centers—in China, Bangladesh, Indonesia, and so on.

Today, three-quarters of the US population is working class, and so as a class, it is far from disappearing. Moreover, manufacturing—such as food processing, vehicle parts and assembly, medical equipment, oil refining—is still a significant part of the American economy. And “basic industry,” including transport, utilities, and construction, are areas that have not gone through the steep decline characteristic of manufacturing.

Syndicalism looks to the emergence of a worker-controlled unionism that has disruptive power—as demonstrated in strikes that shutdown the flow of profits to the owning class. With an increasingly globalized and far-flung production system, the logistics of transport and warehouse systems become increasingly important. Thus the workers in large workplaces—in manufacturing and utility and transport systems—have a potential power that can be used to advance working-class interests with the development of a higher level of class-wide solidarity. Writers about the labor movement sometimes refer to “structural power,” and workers in some industries do have more of it. A strike in that industry or workplace may have far-reaching effect, as for example, a strike at a single essential parts plant may shut down all of the auto plants at General Motors. That is tremendous

structural power. Railroad and motor freight industry workers also have great potential power, but laws have been enacted to restrict the right to strike and keep the workers from using this power in these sectors.

Moreover, the workforce potentially has the power to evict the capitalists from control of the system of social production—taking over the workplaces and re-organizing production on the basis of worker self-management of the industries. Bookchin completely ignores this reason for the syndicalist emphasis on worker struggle and self-organization in the world of work.

But workers in various parts of the service sector also have a certain potential leverage because of their direct personal connections to the customers—clerks in supermarkets, delivery drivers who distribute packages to homes and businesses, nurses as providers and defenders of patient care, teachers who fight for student interests and develop connections to parents. Community support is a key factor in building power for groups of workers in struggles.

Bookchin argues that the lower level of worker struggle since World War II is due to the fact that people no longer have a living memory of the pre-capitalist era when small farmers ran their own farm or artisans ran their own workshop. The theory here is that the aspiration for “worker control” was based on familiarity with a previous era when producers did control their work. Bookchin maintains that the radical workers in the era of large syndicalist unions:

were most often craftspeople for whom the factory system was a culturally new phenomenon. Many others had an immediate peasant background and were only a generation or two removed from a rural way of life. Among these “proletarians,” industrial discipline as well as confinement in factory buildings produced very unsettling cultural and psychological tensions. They lived in a force-field between a preindustrial, seasonally determined, largely relaxed craft or agrarian way of life on the one hand, and the factory or workshop system that stressed the maximum, highly rationalized exploitation, the inhuman rhythms of machinery, the barracks-like world of congested cities, and exceptionally brutal working conditions, on the other. Hence it is not at all surprising that this kind of working class was extremely incendiary, and that its riots could easily explode into near-insurrections.²³

This theory, to begin with, is an implausible form of economic determinism—as if economic structure directly “causes” people to believe certain things. Secondly, the theory’s assumption isn’t true. Back in the World War I era and in the 1930s many radical workers had no background in the long-gone pre-capitalist era of self-employed artisans and farmers. Often their parents and grandparents had been wageworkers.

Moreover, control struggles are still a part of worker struggle today. When nurses fight to defend staffing levels, it is a control struggle. In 2015, refinery workers conducted a national strike for the right to shut down maintenance operations they regard as unsafe. That’s a control struggle. When teachers fight for smaller class sizes and the resources their students need, that’s a control struggle.

To understand the relatively low level of worker struggle in recent decades, it’s necessary to look at the way that working-class insurgency has only emerged in certain periods, as I described earlier in this chapter. Periods of this sort follow on a protracted period of organizing, efforts at popular education, learning from earlier failed struggles—and with increasing numbers of active workers becoming radicalized and learning organizing skills and so on. Thus a high level of worker struggle and the development of “solidarity consciousness” isn’t simply an “automatic” product of the working class-condition.

The emphasis on worker self-organization and direct worker struggle has sometimes led to the accusation that syndicalism is “class reductionist.” The idea is that a strategy that emphasizes worker struggle, workplace organization, and class solidarity leaves out the various structures of oppression in society apart from the capital/wage-labor relationship.

Throughout the period from the International Workingmen’s Association of the 1860s to the worker insurgencies of the 1930s, the various tendencies of the radical left—Marxists, electoral socialists, syndicalists, anarchists—had a conflicted or spotty record on issues related to the racist and patriarchal social relations in capitalist society. Some activists believed that racist aspects of society had to be fought directly—as with the struggle against lynch terror and Jim Crow segregation in the American south. This viewpoint was expressed by Vern Smith in the IWW paper *Industrial Pioneer*:

The radical portion of the white proletariat must at once sharply define its break with the white bourgeoisie, and the ideology of

“Superior Race.” The only way we can do this at all is to emphasize and over-emphasize the fact that we have absolutely no part in the discrimination against the black skin. We will have to go considerably out of our way to make this clear. We will have to sit with the Negro in the street car by choice, and not by necessity. . . . We must [carry on] a vigorous, public, defiant defense of all Negro workers in whatever trouble they find themselves, and never tire of protesting against, striking against. . . . Jim Crow laws, lynchings, and every other form of vicious attack on the Negro.²⁴

Others took a “color blind” approach that advocated uniting the various sub-groups of working people around class-wide demands. There were also some socialists in that era who were outright racists—a problem that divided the American Socialist Party in the early 1900s.

When Spanish anarcho-syndicalist women organized *Mujeres Libres* in the 1930s, some anarchists or syndicalists of the older generation viewed the idea of an autonomous women’s movement as “divisive.” The CNT had always had a commitment to “equality of the sexes” since it was founded, but this is not the same as organizing a struggle against the subordinate position of women in society. These militants failed to appreciate the way that liberation for women was not “reducible” to the general proletarian liberation movement.

Libertarian socialists had often recognized some complexity in the hierarchical structures of society—for example, refusing to “reduce” the State to just a capitalist class institution. This meant that libertarian socialist thinking was open to the idea that the oppression of women was a distinct fault line where a group can organize a movement for its self-emancipation. As a movement of working-class women, *Mujeres Libres* also recognized that the oppression of women within capitalism is not separate from class - oppression and exploitation, but is tied in with it.

Bookchin was correct that struggles around the fault lines of race and gender and ecological destruction came increasingly front and center by the 1960s and ’70s. The struggles of the Black freedom movement to break segregation and attack other aspects of racial inequality—and the women’s movement and movement of gays and lesbians in that era—influenced the whole Left to come to a deeper understanding of non-class aspects of the social structure that trample freedom. And this has also influenced libertarian syndicalist activists and their organizations.

Moreover, our thinking about strategy has to look at the ways that the system changes over time—how new issues come to the fore, new segments of the population have moved into action, and new social movements arise. Our strategic thinking has to take these things into account.

As I see it, “class reductionist” thinking is inconsistent with a revived syndicalist strategy for the contemporary working-class situation. In order to build a working-class movement for liberation from the oppression and exploitation of the capitalist regime, that movement has to address not only the oppressive class structure but also the various other structural fault lines that generate struggle and social movement pressures on the system. The patterns of racialized and gender-based inequality flow into the world of work and influence the lives of working-class people in various ways—both inside and outside the workplace. Capitalism has always been a racialized and gendered regime.

Working-class power is based on class solidarity, as encapsulated in the slogan “An Injury to One is an Injury to All.” If a sub-group is subject to a particular injury—such as race discrimination, sexual harassment, racist police killings, or attacks on immigrants—to not develop practices of support to struggles around grievances of these groups is a denial of solidarity.

The working class can’t liberate itself unless it can “form” itself into a movement that aims at general social liberation—addressing issues like the oppressive character of the State, the patterns of racialized and gendered inequality, and the ecologically ruinous character of capitalist dynamics. Working people can’t be successful in struggle against the dominating classes without getting diverse groups of people together and building increasing levels of mutual support to each other’s struggles.

Militant Minorities and Political Organization

When we look at how workplace unions are organized—or other kinds of mass organizations such as a tenant union, we are likely to find that some people are more active or more committed to the cause than others. Some may have had more experience with organizations, are better public speakers—perhaps because they have had more experience with this in the past. Others may go to them for guidance on their own issues or grievances. Showing commitment and concern and being a personable and supportive person also affects what influence active militants have.

This is the layer of people in workplace (and community) struggles that

syndicalists called the “militant minority.” There can be different “militant minorities”—in workplaces, in unions, in other mass organizations—because people may have different views about how to organize or different ideological commitments.

Some—but not all—militants have radical views. Workers with radical views have often played an important role as rank-and-file on the job organizers, helping to build unions or fight the sellouts by union officials. Working with other people of diverse views in a mass setting, those who do have a radical vision for changing society can connect with the grievances and concerns of other working people.

For syndicalists, an important task today is rebuilding in workplaces a voice for self-managed worker organization, militant struggle, and a radical working-class outlook. The kind of unionism that syndicalists favor doesn't just happen “spontaneously.” A syndicalist militant minority is needed to influence the labor movement in this direction.

Sometimes “militant minorities” organize themselves into political organizations that are defined by agreement with some specific political ideology. As such, these are not mass organizations. Back in the early 1900s in France, Italy, and Spain, active workers with libertarian socialist (anarchist or syndicalist) political views often formed political groups in addition to their activity in unions (or other mass organizations such as community associations). Anarchists called this “dual organization.”

I support the idea of “dual organization” because I think a libertarian socialist political organization could carry out certain useful tasks. I think one potential role is in the area of popular education, including through publications, conferences, and possibly through a revived form of working-class centers—for workshops and self-education like the Spanish storefront schools of the '30s.

Part of this is “the battle of ideas,” which can include a spectrum of activities from countering the ideologies and arguments that try to justify the capitalist regime to engaging in discussion and debate among radicals who are active in organizing. Organizations with an ideological commitment also work to keep lessons of the past alive—lessons derived from past struggles and revolutions. They can function as a kind of working-class memory.

A libertarian socialist organization can also provide a venue in which activists from various movements come together, share experiences, and

report on the struggles that other activists might not know about, whether they are struggles in other unions or social movements, around particular issues, in other cities, other countries.

Earlier on I discussed the importance of unions and other social movements coming together into an alliance or working-class front, one that is based on mutual support for each other's goals and struggles. A militant in a union or tenant organization, or an organization around a particular issue like climate change, may have some familiarity with what is going on in their area—their union, industry, or neighborhood, or their area of activism—but they also need to gain connections over a broader range if a class-wide alliance is to be developed.

If activists in a particular movement develop connections with those in other organizations, and learn about their demands and grievances, they can bring this knowledge back to their union or organization. Political organizations may be able to contribute to the development of these connections between diverse militants. Thus libertarian socialist militants can act as a catalyst in helping to bring groups together into a working class-based front or alliance.

But connections between activists need to be more than just connections within a particular political organization. What is needed is for different mass organizations and groups working on different issues to develop links and discussion—and to develop support for each other's struggles. This is part of the process for building toward a working-class front or social movement alliance.

Libertarian socialists are opposed to the idea of “democratic centralism” in either unions or political organizations, and as such have a different idea from Leninists on the role that a political organization should play.

“Democratic centralism” was developed by some socialists in the late 1800s and early 1900s as a concept applied to both unions and political parties. This usually meant that a high degree of control would be centered in a management committee of some kind—typically paid officers and staff. Leninists inherited this view of organization.

Libertarian socialists, on the other hand, believe that the mass organizations need to be self-managed by the members. This is essential to the process of building participation and initiative, contributing to the process of class formation. A problem with “democratic centralism” is that it entrenches control and undermines initiative.

Leninists tend to see the role of the “vanguard party” as using the wide presence of its militants to gain a kind of management power over the working-class movement, with the aim of eventually using the mass movement as a “transmission belt” or springboard to jump their party into control of a state.

However, libertarian socialists disagree that the goal is putting a political party or vanguard organization into state power. The syndicalist and libertarian socialist aim is for the mass movement itself to gain power. This is how syndicalists interpret the slogan, “the emancipation of the working class is the task of the workers themselves.” Thus the idea is that the mass movement—the self-managed unions and other grassroots organizations they are allied with—should be the vehicle for liberation of the oppressed and exploited majority—through the creation of workers management of industry and rebuilding social governance institutions on the basis of self-management and participatory democracy. The aim is to socialize power, not put power into the hands of a political party.

In a period where social transformation is on the agenda, libertarian syndicalists pose the hegemony of the class front or social movement alliance as the alternative to the Marxist idea of the hegemony of the party, as “directing force” in social transformation. I’ve suggested that we can think of this alliance as made up of various democratic mass organizations of struggle, such as unions and tenant organizations and various single-issue groups, women’s groups or other groups specific to particular communities, and cooperatives that play a supportive role for the movement, but there should also be various socialist or anarchist political groups in the mix. We can expect that the layers of active militants, and organized ideological minorities such as a libertarian socialist or anarcho-syndicalist ideological group, might have important influence within the mass movement. From a libertarian socialist point of view, however, the aim is not to put the ideological group into power running a state, “managing” the society.

In a period of transition, the working-class movement might create new organs of popular power, such as worker councils, regional delegate congresses, community councils, and industrial self-management organizations. If this is going to be a process that moves towards liberation, however, these need to be organizations that respect multi-tendenced, participatory democracy. We have to avoid building a new top-down managerialist state run by a political party. The history of the twentieth

century tells us what party-states become.

A Note on Assembly Democracy

Syndicalists have always supported an inclusive form of formal democratic organization rooted in the face-to-face democracy of worker assemblies or general meetings. Democratic participation is essential to building the character of the union as a collective or shared means to our common benefit. The idea is to have a free discussion where people have a fair opportunity to speak and make decisions in a timely and transparent manner. We want to have freedom of discussion because we need to hear what our co-workers think in order to arrive at a collective decision.

Decision making in syndicalist unions is based on majority rule. A vote enables an organized group to come to a decision that expresses the collective will even when there is some disagreement, but this doesn't mean that all decisions are made by voting. In grassroots organizations that are based on majority decision making, it often happens that many decisions are made without taking any vote—especially in smaller meetings. That's because people are often able to come to agreement just by discussing the issue or proposal.

As a mass organization, a union will inevitably tend to have a diversity of viewpoints, but the ability to reach agreement is helped by the shared circumstances in work and life. The members of a local union are working-class people who share common subordination to a particular employer, or they work in the same industry. Although different jobs or departments may have special problems—and some groups may experience particular forms of discrimination—they share the general conditions of that workplace, and the general working-class condition. Many will have personal connections with other members from working together, which makes it easier for members to take up the form of “we” consciousness involved in making collective decisions in a union. Majority vote assembly democracy can be a basis for ensuring member control in other kinds of mass organizations—not just worker unions.

This preference for a formally democratic organization based on majority vote in meetings is at odds with the consensus decision-making process that gained a foothold in certain activist subcultures in the United States between the 1970s and the Occupy movement of 2011. Consensus decision making refers to a method of talking things out with the goal of achieving unanimous (or near-unanimous) agreement. The attraction of

consensus makes a certain sense because we often make decisions informally among groups of friends or family by simply talking about things until we reach agreement. Referring to the use of consensus decision-making in the New Left of the 1960s, Staughton Lynd writes: “Consensus is the most natural and human way to make decisions. It’s the way families and friends decide things.” However, consensus was often less democratic than voting:

A longtime participant in the JOIN [Jobs Or Income Now] community union project in Chicago insists that voting was more democratic even in JOIN’s meetings of two or three dozen persons, because the community people intimidated by the verbalism of the student organizers felt free to cast ballots as they wished.²⁵

Although making decisions by talking things out until agreement is reached can work fine in small groups of like-minded friends, consensus process is not well suited to working-class mass organizations.

The core of consensus is the ability of any individual to block a decision. In David Graeber’s version: “Anyone who feels a proposal violates a fundamental principle shared by the group should have the opportunity to veto (‘block’) that proposal.”²⁶ When someone blocks a proposal favored by a large majority, a consensus-based group can try to persuade the blocker to “stand aside” (to abstain) or they can make concessions to the blocker.

Even when no one does block, everyone is aware each person has that ability. Within a grassroots organization that uses majority vote, on the other hand, people can express disagreement without blocking the majority from pursuing the course of action it favors. The potential to block can empower individuals to insist on agreement to their individual notions. As L.A. Kauffman writes,

Movement after movement found, moreover, that the [consensus] process tended to give great attention and weight to the concerns of a few dissenters. In the purest form of consensus, a block by one or two individuals could bring the whole group to a screeching halt. Sometimes, that forced groups to reckon with important issues that the majority might otherwise ignore, which could indeed be powerful and transformative. But it also consistently empowered cranks, malcontents, and even provocateurs to lay claim to a group’s attention and gum up the works, even when groups adopted modifications to strict consensus that allowed super-majorities to override blocks.²⁷

The consensus process model came out of the New Left of the Sixties.

The Sixties-era activist emphasis on participatory democracy was taken up by Movement for a New Society (MNS), founded in 1971 by Quaker pacifists. MNS would be highly influential in the spread of the consensus decision-making model. As Andy Cornell writes, MNS was “a major innovator and force promoting . . . consensus process, collective living,” and translating political ideas into personal choices in daily life (making radical politics into a “lifestyle”) and other tactics that influenced networks of activists oriented to direct action.²⁸

Founded in 1980, Food Not Bombs chapters were an influential example of how consensus was adopted by small, self-selected groups of activists. Consensus was continued by anti-war groups like Direct Action to Stop the War during the opposition to the Iraq war in 2003. The most important recent North American experiment with consensus procedure was with Occupy Wall Street and the Occupy assemblies in various cities.

Why did this approach come to characterize a number of protest movements? The bureaucratic and conservative character of the inherited American trade unions, the top-down character of many non-profits, and the vanguardist manipulation of the various Leninist groups in the 1980s and '90s tended to push people away, motivating activists to search for some other model for mass protest campaigns. I argue that there is an alternative approach to mass struggle organization that has a participatory and grassroots character but without the limitations of the methods advocated with consensus process.

Voting may be discredited in the eyes of some because of its use in bureaucratic organizations such as the U.S. Congress or meetings of unions dominated by officials and paid staff. On the other hand, decision making may be a lot less alienating in a small circle of like-minded acquaintances who simply talk things out to reach agreement. But this contrast is misleading because a working-class social movement must be able to do effective decision making in large settings where consensus is less effective.

The use of “consensus” process often leads to very prolonged meetings. L.A. Kauffman describes the problem of protracted meetings, which played out in Occupy as well as earlier movements like the Clamshell Alliance:

The process favored those with the most time, as meetings tended to drag out for hours; in theory, consensus might include everyone in all deliberations, but in practice, the process greatly favored those who could devote limitless time to the movement—and made full

participation difficult for those with ordinary life commitments outside their activism.²⁹

Such a circumstance makes an organization not very useful or welcoming to working people. Consensus is biased in favor of people who work shorter hours or have more flexible schedules, such as students. An organization that thwarts the will of the majority and gets mired in long meetings is not going to be an effective vehicle for working-class people. Luke Cooper and Simon Hardy describe the way consensus process is exclusionary: “The long ‘General Assembly’ meetings of Occupy can ultimately be exclusive, because those that last the longest and stick it out to the end will get their way. Leave because you have to go to work, or have some other commitment, and you lose your say.”³⁰

In my earlier discussion of self-managed unionism, I presented a different model from the “structureless” or “consensus”-based practices. In the libertarian unionist model, the basis of decision making lies in majority vote and the democracy of assemblies. Elected delegates or shop stewards and elected and accountable administrative committees provide accountable leadership. This approach to unionism provides an alternative to top-down, staff-driven unions controlled by an unaccountable paid hierarchy. This organizational approach can also be applied to mass organizations other than labor unions.

This approach does require a consensus on the value of participation and seeking what is best for the collective. It also shares the grassroots orientation of the consensus approach. But democratic majority vote and systems of accountable delegates have the ability to scale up to mass movement power. With concepts like self-managed class unionism, working to widen solidarity and building an alliance or front among social movement organizations, there is a basis for coalescing a united force, based on the oppressed and exploited majority, to transform society.

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Chapter Seven: Two Forms of Prefigurative Politics

There are several reasons why libertarian syndicalists have advocated for worker organizations of struggle built on the basis of direct mass participation, the direct democracy of assemblies, elected delegate or shop stewards councils, and avoidance of centralized union or political party bureaucracy.

First, this type of organization is needed in order to encourage mass participation in the disruptive direct action that builds worker power. Working people build power for themselves to the degree they control their own movement and can take action in defense of their aspirations.

When paid hierarchies gain control over worker unions, and worker movements are committed to top-down party and union control, these hierarchies tend to restrain struggle to protect their “partnership” with the bosses and their role as mediators and representatives in class-divided society. To the extent that a movement is based on mass participation and workers directly control the struggles, these efforts are likely to be more effective for them. People learn how to organize and direct their own movement. Self-management of struggles contributes to the process of class formation.

Second, in a period of mass struggles in society when it becomes possible to change the structures of the dominant institutions (a revolutionary period), working people can only ensure that they end up in power when the smoke clears if they have a movement they control that drives the changes in society. To the degree that the movement that drives the change is characterized by highly democratic practices and a political commitment to direct rank-and-file power, that politics and those practices then “prefigure and foreshadow” the emergence of worker power in the new society that emerges through the action of that movement.

This is why the IWW said that in building democratic industrial unions, they were “building the new society in the shell of the old.” If these worker-run unions seize control of the economy in an “expropriating general strike,” the democratic practices built up through struggle are then

reflected in democratic worker control of production. To put this another way, there is a causal relationship between the democratic practices and libertarian commitments of the social forces that drive change, on the one hand, and the libertarian changes in the social structure—the structures of workplace and political control—that emerge from the struggles of that time.

The idea that the way mass movements organize themselves may “prefigure and foreshadow” a new, self-managed social structure created through a process of social transformation was explicitly formulated by some people in the New Left in the 1970s, but the concept has been around for a very long time.

We can also say that top-down, statist, centralizing practices and commitments prefigure a very different outcome to a revolutionary process. For example, in *The State and Revolution*, Lenin says that the German post office is a good model for socialism. Marxist sociologist Samuel Farber comments: “It is revealing that, in his view . . . the needed changes . . . did not affect its existing organization and hierarchical systems”(with the exception of reducing management pay rates).¹

State socialist ideas of this sort were common in pre-World War I European social-democracy. Says Farber: “In the last analysis, the key political problem [in the Russian revolution] was that Lenin and the mainstream of the Bolshevik Party, or for that matter the Mensheviks, paid little if any attention to the need for transformation and democratization of the daily life of the working class on the shopfloor and in the community.”²

The preference for “democratic centralism” in party and union organization was also common among Marxist social-democracy before World War I. This meant giving strong powers to central bodies (executive committees) to manage and direct organizations. This kind of politics and practice would tend to prefigure the emergence of a new bureaucratic social layer through the revolutionary process.

Once the Bolsheviks got the Soviet Congress to hand them central state power in October, 1917, they quickly built a committee to develop top-down plans for the whole economy: the Supreme Council of National Economy. This was staffed with managers, professionals, and party stalwarts, who were not elected by workers. An alternative for planning the Russian economy had been proposed by the Russian anarcho-syndicalists at the First All-Russian Trade Union Congress in January, 1918. This would

have been a grassroots congress of factory committees. Gregori Maximov, a leading anarcho-syndicalist, argued that: “The aim of the proletariat was to coordinate all local interest, to create a centre but not a centre of decrees . . . but a centre of regulation, of guidance—and only through such a centre to organize the industrial life of the country.”³ But this was successfully blocked by the Bolsheviks (with Menshevik support).

Although the Bolsheviks had initially participated in, and supported, factory delegate committees and city-wide worker councils (soviets) in 1917, these were viewed more as a trampoline to jump the party into state power than as building blocks of a new social arrangement based on direct worker participation. Bolshevik politics and practices thus “prefigured” the emergence of a bureaucratic social layer, which would become a new ruling class.

Thus, we can say that libertarian syndicalism is a form of “prefigurative politics,” based on a strategic understanding of the importance of directly democratic control in a working-class movement for social change.⁴

But there is a second form of “prefigurative politics” that also thinks in terms of “building the new society in the shell of the old.” This is the idea that we can advance toward self-managed socialism through a kind of evolutionary strategy of building up alternative institutions within the cracks of capitalist society—worker cooperatives, consumer food coops, community land trusts, fair trade organizations, social centers, women’s shelters, community gardens, Food Not Bombs chapters, and so on. Some anarchists have told me they prefer this approach as a peaceful, evolutionary, and practical strategy for changing society.

Can society be changed into a form of self-managed socialism through gradually building up cooperatives and other alternative institutions of this sort? To begin, we need to be clear about the issue. I’m not questioning the practical usefulness of organizations such as social centers, child care coops, land trusts, and so on. People sometimes form worker cooperatives to save their jobs . . . as with the New Era Windows coop in Chicago. A social center can be a place where cultural events, political debates, and organizer trainings happen. In the 1930s, a vast food coop movement was created in Los Angeles to ensure people had food during a period of mass unemployment.

I think it is useful here to make a distinction between two different kinds of organizations: (a) mass *organizations of struggle* (such as worker

unions, tenant organizations, etc.) and (b) organizations that *manage a social resource* (such as a worker cooperative, social center, child-care cooperative, land trust, and so on). This distinction is not always clear because sometimes there are struggles over the resources, such as a building taken for a social center, or a piece of land occupied for a community garden. An example of the latter is Occupy the Farm—a community gardening project that was part of a struggle over a piece of land owned by the University of California in the East Bay.⁵

The evolutionary anarchist strategy is based on building up the organizations that exercise self-management over resources. The strategy has been around for a long time; Pierre-Joseph Proudhon advocated this evolutionary approach in the mid-1800s.

This Proudhonist strategy was advocated by *Social Anarchism* magazine in the 1970s and '80s, as when Leonard Krimmerman discussed a worker coop poultry plant: “My initial hope . . . was to help create an anarchist workplace, and then a network of such workplaces, and from there to begin once again to launch the entire social revolution.”

The working assumption here is that the self-managed business can embody on a small scale the ideal of a society without the boss/worker hierarchy, a stateless self-managed society where production is motivated by the people's collective benefit instead of profits for the few. Otherwise, why would one see cooperatives as the building blocks of socialism?

I think the Proudhonist strategy has two basic weaknesses. First, there is the problem of the great external pressures on cooperatives within the capitalist framework. A worker cooperative is a collective form of self-employment based on collective private ownership of the firm's assets. Coops do not have some special ceramic insulation from the competitive pressures of the business world.

If capitalist firms engage in socially destructive practices that enable them to lower their prices—pay low wages, dump toxic wastes—competing coops will be under pressure to do the same. The market acts as a transmission belt of oppression.

There are many examples of cooperatives that became increasingly indistinguishable from capitalist firms over time. In the United States in the '30s, there were many electric power consumer coops formed. In 1979, the Environmental Policy Institute published a report on the rural electric power coops, in which they charged that the coops had forgotten their

“original grassroots function” and behaved no different than corporate power baronies. The Dairyland Power Cooperative in Wisconsin, for example, built its own nuclear power plant.

A number of coops have engaged in practices of hiring people at low wages and then not giving them membership rights—or they have subcontracted work to low-wage capitalist supplier firms. As private owners of their firm, coops can legally do this within the capitalist framework. This process was visible in the plywood coops in the Pacific Northwest, which were formed in the '30s, mainly as a way to create jobs. By the '70s about 10 percent of the workforce at Hoquiam Plywood, for example, were hired as non-members—they had no vote, got no share of year-end profits, and were given the noisiest, dirtiest jobs.

If a coop expands by taking on more worker-members, then the members will have to share year-end profits with more people, and they can avoid this by hiring people as non-members. Tendencies of this sort have a long history in worker cooperatives. Many of the coops that Proudhon helped to set up in the 1840s ended up as collective employers of wage-labor.

The Mondragón cooperative federation in the Basque country in Spain is often touted as a model by advocates (such as Carl Davidson and David Schweickart) of market socialism. Because the coops were owned by the various employees in the Basque region, they offered at least a form of job security since there was no absentee capitalist owner that could relocate elsewhere. Nonetheless, as the recent bankruptcy of their large appliance coop Fagor shows, they are still subject to potential loss of their jobs through insolvency.

Sharryn Kasmir's study *The Myth of Mondragón* shows an entrenched internal class division in the Mondragón cooperatives. The coops are basically managed by a hierarchy of managers and professionals. Manual workers are subordinate in day-to-day operations. Workers were supposed to be able to provide input through so-called Social Councils, but workers interviewed by Kasmir said that they were not provided time and resources to develop a meaningful participation. “We are not given a room to talk,” said one worker. “We have to talk right in the factory, and there is a lot of noise. We are not given any tools, like an overhead projector.” Another worker said that “Management is paid to develop plans. And when they present them to us, they look *bonito* (pretty). But it is all we can do to

criticize them. After work we have to spend our own time reading and analyzing the plan. We are in no position to prepare alternative plans.”⁶

To compete in the capitalist framework, Mondragón has adopted similar tactics to capitalist firms during the neo-liberal era—such as networking with capitalist firms as suppliers and setting up subsidiaries in other countries (such as in Poland and Morocco) to exploit workers at lower wages. Workers have no coop rights in these subsidiaries.

In its coop plants in Spain, Mondragón has adopted the hyper-Taylorist/Fordist system of *kaizen*—also known as “management by stress.”⁷ This is another symptom of domination by the bureaucratic control class, who hold power in the Mondragón firms.

The capitalist framework has also acted to destroy the affordability of housing coops that were set up in the past, often by unions. If speculative investment in the real estate near the coop raises land values, the coop members will be tempted to violate the original concept of providing dwellings that are affordable to working-class people. This commitment to retaining inexpensive dwellings was often implemented by putting limits on resale prices for coop apartments in the bylaws.

With the recent vast speculative increases in real estate values in San Francisco and New York, two massive housing coops voted a few years ago to break the limits on resale prices. In this case there is a conflict between the short-term financial interest of the individual apartment owner and the broader working-class interest in having a large pool of inexpensive dwellings. In the San Francisco case, the three-hundred-unit Saint Francis Square coop was originally organized in the 1960s by the ILWU. After coop members voted to remove resale price limits, coop share prices zoomed to \$300,000.

This problem was the motivation for the creation of the community land trust movement in the United States. The basic idea here is to have the land under the physical dwelling owned by a separate association with democratic roots in the larger working-class community. The coop then leases the land from the land trust. The ground lease empowers the land trust to block increases in housing prices driven by pressures of the speculative real estate market. Land trusts can also work as an anti-eviction or anti-displacement tactic.

The San Francisco Community Land Trust is an example of this tactic.⁸ In San Francisco, rent control acted to limit speculative increases in values

of rental buildings because the rental income limits the resale value. However, many speculators buy rental buildings with the aim of converting them to home-ownership buildings (such as condos), which greatly increases the value of the building as a speculative real estate commodity. In a number of anti-eviction struggles, the land trust has been able to acquire buildings to prevent displacement of existing working-class residents.

The creation of a worker coop in the anti-workplace shutdown struggle at Republic Windows and Doors, and land trust acquisition of buildings in various anti-eviction struggles by working-class tenants in San Francisco are examples where an organization to self-manage a resource is used to provide a solution for a particular struggle.

Thus far I've been looking at the destructive effects of the capitalist framework on cooperatives. The evolutionary "alternative institutions" strategy has a second basic weakness: The strategy fails to confront the power of the corporations and the state, such as the day-to-day control over the workforce. Workers have a basic form of leverage within capitalism because the employers need our cooperation. If workers build union organizations and challenge management in slow downs and strikes, they cut off the flow of profits. An independent worker organization rooted in the workplace is a form of counter-power for this reason.

The development of this power through strikes and other forms of disruptive direct action builds a sense of "us versus them" and a sense of collective power among working people. For libertarian syndicalism, the mass organizations of struggle are the crucial means for the working class to exert power against the employers and the state, and develop the power needed to challenge the dominating classes for control of society.

Some anarchists or libertarian socialists talk of building cooperatives and other "alternative institutions" as a form of "dual power," which would suggest that cooperatives can form a kind of counter-power to the dominating classes. However, as businesses within the market framework, cooperatives are not organizations of direct struggle against the bosses and the state.

Thus the syndicalist strategy of building worker-controlled unions (and other grassroots democratic organizations) that operate through rank-and-file participation and direct collective action is indeed a strategy to build counter-power.

We can't get rid of the big corporations and the state by building

cooperatives to compete in the capitalist market. The history of cooperativism suggests that the forces at work in the capitalist framework ensure that the coop sector will always be marginal.

The Libertarian Socialist Caucus within the Democratic Socialists of America advocate a “dual power” strategy, as they call it. They maintain that “counter institutions” are the basis of counter-power to the system. In building “counter-institutions,” they say:

Working-class people can create a new form of social, political, and economic power that exists in tension and opposition to the power of capitalism and the State. Counter-institutions can include, but are not limited to: community councils, popular neighborhood assemblies, worker’s councils, syndicalist unions, rank-and-file trade unions, worker-owned cooperatives, locally and regionally networked redistributive solidarity economies, participatory budgeting initiatives, and time banks. They also include collectives committed to the provision of mutual aid and disaster relief, tenant unions, community land trusts, cooperative housing, communal agriculture and food distribution systems, community-owned energy, horizontal education models, childcare collectives, and community-run health clinics, to name a few.⁹

The problem here is that they are papering over the difference between organizations of struggle and organizations for self-managing resources. Land trusts, housing cooperatives, childcare collectives, and community health clinics are organizations for self-managing a resource, not organizations of struggle in themselves. This is true even though they can be helpful resources for communities that *are* engaged in struggle.

Actual counter-power is built where working-class people build organizations and actions that directly confront and push back against the power of the capitalists and the State—as in worker strikes, militant mass marches, rent strikes, and occupations. At times neighborhood assemblies have also been a grassroots site where people in a working-class area have come together to define their own agenda, in opposition to elite interests, such as landlords or the state bureaucracy.

Apart from problems of degeneration, the cooperative sector also does not have a natural tendency to expand. If we think back to the early 1800s, the money needed to set up businesses was a lot less than now. In strikes, workers often formed cooperatives to compete with the firm they were

striking. If it was easier to form coops, why didn't a huge coop sector emerge and survive?

If a person has the skills to organize a cooperative, they probably also have the ability to be a capitalist entrepreneur and hire workers as subordinates. And this would be tempting because they could make more money for themselves if they were at the head of a conventional capitalist firm. Thus the capitalist framework is self-reinforcing.

The cooperativist approach tends to lead to a market-based conception of socialism—as if socialism is a system of collective private property, of competing cooperatives. Syndicalists have usually opposed market socialism because a market system is likely to re-generate many of the problems of capitalist society—rising inequality, increasing power of a corporate-style hierarchy of managers and professionals, unemployment, and a lack of control over negative externalities such as pollution. An economy of worker-managed socialism can only be built if the working class has developed a very high level of solidarity and cohesion in struggle. Why would this highly solidarity-oriented working class want to create an economy where workers are pitted against each other in competing cooperative businesses?

In *Envisioning Real Utopias*, Erik Olin Wright refers to the Proudhonist strategy of building cooperatives as an “interstitial” strategy for socialism—trying to build the new society in the cracks of the old. Wright suggests that an advantage to the “alternative institutions” strategy is that it can develop a rich set of institutions apart from the logic of capitalist exploitation and domination that can sustain people and society through the difficult economic circumstances and conflicts in a period of transition.¹⁰ Given the general failure of the “alternative” sector to grow, I think it is very unlikely to be large enough to provide the kind of large-scale social support to avoid the havoc that Wright fears in a period of transition to socialism.

Because the syndicalist strategy envisions workers taking over control of the various industries in a period of transition, syndicalism offers a much better guarantee of continued goods and services being provided to the working class in a period of disruptive social transition. In Aragon, Spain, during the 1930s revolution, the CNT farm labor unions collectivized the land and created a democratic economy in their villages; they were then able to provide food to cities in struggle such as Barcelona.

Despite the limitations of the cooperativist strategy, organizations to

self-manage resources can be useful to the movement for social change—organizations to run social centers, popular education centers, child-care cooperatives, democratic land trusts, and so on. When mass worker movements have challenged the employers and the state in past periods of insurgency, the mass organizations of struggle often were built in a social context where there were a variety of working-class social organizations that played a supportive role in various ways—worker schools, food cooperatives, social centers, and so on. In the Spanish revolution, the syndicalist unions in Barcelona and Valencia were layered on a wider set of social organizations—storefront worker schools, cultural centers, women’s groups, neighborhood committees.

Thus my argument in this chapter is *not* that cooperatives should not be built. They can be useful in providing jobs with an element of worker control or to provide useful services for a community. Instead, my suggestion here is that (1) we need to be clear about the distinction between organizations of struggle and organizations for self-managing resources, and (2) we need to understand the limits of the cooperativist approach.

1. Samuel Farber, *Before Stalinism: The Rise and Fall of Soviet Democracy* (London: Verso, 1990), 73.

2. *Ibid.*, 72.

3. Quoted in Maurice Brinton, *The Bolsheviks and Workers Control* (Black Rose Books: Montreal, 1975), 31.

4. This refutes the claim of some sociologists that “prefigurative politics” and “strategic thinking” are incompatible. For example, Samuel Farber, “Reflections on ‘Prefigurative Politics,’” *International Socialist Review*, Spring 2014.

5. On Occupy the Farm, see Daniel Murray, “Prefiguration or Actualization? Radical Democracy and Counter-Institution in the Occupy Movement,” *Berkeley Journal of Sociology*, November 3, 2014, <http://berkeleyjournal.org/2014/11/prefiguration-or-actualization-radical-democracy-and-counter-institution-in-the-occupy-movement>.

6. Quoted in Sharryn Kasmir, *The Myth of Mondragón: Cooperatives, Politics, and Working-Class Life in a Basque Town* (Albany: SUNY Press, 1996), 136.

7. George Cheney, *Values at Work: Employee Participation Meets Market Pressure at Mondragón* (Ithaca: Cornell University, 1999), 36–37.

8. For more information visit: www.sfclt.org.

9. DSA Libertarian Socialist Caucus, *Dual Power: A Strategy to Build Socialism in Our Time*, December 31, 2018, <https://dsa-lsc.org/2018/12/31/dual-power-a-strategy-to-build-socialism-in-our-time>.

10. Erik Olin Wright, *Envisioning Real Utopias* (London: Verso, 2010), 330.

Chapter Eight: Electoral Road to Socialism?

In the societies in Europe and North America nowadays—and elsewhere in the world—the public debate around changes needed to solve problems is often framed as a debate about candidates for government office. As if the way to work for changes in society is simply a matter of voting for Jack rather than Elaine. Thus it's quite natural for those who want reforms or improvements in society to focus on the programs and campaigns of politicians and political parties.

Since the early twentieth century, the universal right to vote has been widely (but not universally) accepted as the standard for legitimate state power. When so-called republican government—government by elected leaders—burst on the scene at the end of the eighteenth century, elites preferred to limit the vote to property owners (or limit the vote in other ways, such as literacy tests) because they were afraid that the masses would use their vote to attack the concentrated wealth of the elites. By the twentieth century, those fears had largely subsided because the capitalist elite figured out ways to control elections and elected government—through control of the media, campaign finance, professional lobbyists, and other methods. Even so, we still see the Republicans try to restrict the right to vote for poor people and racial minorities.

In the United States, the media focuses huge attention on electoral campaigns, and the debates therein over campaigns and government policies lead many to look at electoral politics as the way to make changes in society. This means seeking change from above through the policies enacted by the professional politicians and implemented top-down through the managerialist hierarchies of the State.

“Democratic Socialism”

Many socialists see the politics of parties and elections as a way they can insert themselves into history, and this forms a core component of their strategy. Electing leaders to government office has been advocated by socialists at various times as a way to fight for reforms that would benefit the oppressed and exploited majority in the present, and as a way of

building a movement for more far-reaching changes at some point down the road. In its more radical form, the idea is that a party committed to socialism could use the State to enact reforms that would break the old capitalist scheme—perhaps through widespread nationalizations, seizures of the banking system, and things of this sort.

By the early 1900s, there were socialist political parties formed in many countries to compete in elections. By World War I, the American Socialist Party had gained a hundred thousand members and elected more than a thousand government officials—mayors and members of city councils and state legislatures. The phrase “democratic socialism” was eventually coined to refer to the political tradition of these organizations.

After the various Communist parties were organized around the world to pursue the model of radical politics pioneered by the Bolsheviks in the Russian revolution, the electoral socialist parties developed criticisms of the Communist governments and the Leninist Marxism that defined the Communist movement. The “democratic socialist” emphasis on “democracy” was partly based on their defense of the systems of “representative democracy” in western Europe, North America, and elsewhere. This was combined with critiques of the repressive and undemocratic nature of the “communist camp” regimes. Their defense of representative democracy is tied in with their basic strategy of working to gain political power through elections.

These days, members of Democratic Socialists of America (DSA) are clear about rejecting the Communist strategy. As Neal Meyer of the New York City DSA put it:

It’s one thing to know what democratic socialists fight for, and another to lay out a convincing path to realizing it. This is where democratic socialists truly differ with some of our friends on the socialist left. We reject strategies that transplant paths from Russia in 1917 or Cuba in 1959 to the United States today, as if we could win socialism by storming the White House and tossing Donald Trump out on the front lawn. . . . What’s needed is a strategy that takes seriously the particular challenges and opportunities that come with organizing in a liberal democracy.⁴

Support for the strategy of achieving socialism through the ballot box has tended to grow where the form of “representative democracy” has been modified in ways that make it easier for radical political parties to gain

representation in the legislative bodies of the State, as under post-World War II European systems of proportional representation and parliamentary government.

Many of the electoral socialist parties in Europe and elsewhere evolved in their politics. They competed in elections through the advocacy of various immediate reforms, which became the focus of the parties. Sometimes they won elections. At the head of a national government they found that they had to “manage” capitalism, to keep the capitalist regime running. If they moved in too radical a direction they found they would lose middle-class votes, or the investor elite might panic and start moving their capital to safe havens abroad. In some cases, elements of the state—such as the military and police forces—moved to overthrow them.

Most of these parties eventually changed their concept of what their purpose was; they gave up on the goal of replacing capitalism with socialism as a different economic system. Their new ambition didn't go much beyond taming the more predatory tendencies of the capitalist regime and ensuring various public services for the benefit of the majority, such as universal access to health care or improved worker rights. In other words, they became parties of social-democratic reform. When Bernie Sanders talks about democratic socialism, he's referring to social-democratic reform politics of this sort.

But many socialists who advocate democratic socialism are not simply advocating social-democratic reform politics. They also have a vision of moving to a different kind of society. As I've argued, struggles around partial changes or reforms are important to building up social movements that can go on to make greater changes in the future as they build their numbers and organizational strength. But there are different ways that we can organize and fight for changes in society.

Democratic socialists have usually argued for a “two legs” strategy. By that I mean, building mass, grassroots working-class movements in direct struggles (such as unions) as well as working to achieve reforms through election of socialists to office. This “dual” approach was characteristic of the American Socialist Party in the first two decades of the twentieth century.

In 1919, Harry Ault—a moderate socialist and editor of the *Seattle Union Record*—said that “95 per cent of us [socialists] agree that the workers should control the industries. Nearly all of us agree on that but very strenuously disagree on the method.” Ault described the three main

strategies favored by socialists as syndicalism, cooperativism, and electoral politics.² The strong support for syndicalism in that era meant that most members of the Socialist Party did conceive of socialism as “workers managing the industries.”

In the World War I era, the large syndicalist wing in the Socialist Party thought socialism was more likely to come about through an “expropriating general strike” than through elections. Nonetheless, when IWW organizer Bill Haywood was a member of the Socialist Party, he argued that election of socialists to the various local governments could help provide a more favorable local environment for organizing unions—by keeping the police neutral in strikes, for example.

Nowadays, many members of the DSA seem to take the “two legs” approach. Though the organization may have a major focus on electoral politics, many of its members are focused on building tenant unions, organizing workers into unions, or are active in the struggle against the repressive anti-immigrant actions of ICE.

Thus democratic socialists often favor several elements to their strategy—building a more vital, participatory, and democratic labor movement, building worker cooperatives and other kinds of democratic social institutions, and using electoral politics to pursue reforms enacted through the state.

“Economic democracy” is a term that Democratic Socialists of America uses to describe the socialist alternative: “Economic democracy can empower wage and income earners through building cooperatives and public institutions that own and control economic resources. Economic democracy means, in the most general terms, the direct ownership or control of much of the economic resources of society by the great majority of wage and income earners. Such a transformation of worklife directly embodies the practices and principles of a socialist society.”³

A strategy that focuses on electing leaders to government office has been advocated by socialists at various times as a way to fight for reforms that would benefit the oppressed and exploited majority at present and as a way of building a movement for more far-reaching changes at some point in the future. In its more radical form, the idea is that a party committed to socialism could use the state to enact reforms that would break the old capitalist scheme. In discussing socialist transformation, Neal Meyer put it this way:

Because of the capitalist class's immense power, we know that electing a socialist government alone won't be the same as winning the power needed to transform society. A socialist government would have to see its primary task as taking away the power of the capitalist class.

That will mean nationalizing the financial sector so that major investment decisions are made by democratically elected governments and removing hostile elements from the military and police. It will mean introducing democratic planning and social ownership over corporations (though the correct mix of state-led planning and "market socialism," a mix of publicly-owned firms, small privately-owned businesses, and worker cooperatives is a matter of some debate in our movement).⁴

Here we see one of the traditional problems with electoral socialism: A tendency to think of socialism in terms of nationalization, i.e. state takeover and management of banks and other industries and "state-led planning."

Class oppression is inherent to the state as an institution. We can see this in the subordination of public sector workers to managerialist hierarchies. There is also the basic problem of how the working-class majority could actually control what the elected politicians do once in office. As well, concentrating decision making in the state excludes the majority from actual participation in the direct crafting of social policies and the running of the society.

This problem stems directly from the electoralist strategy. A focus on a strategy of electing people to office tends to favor a statist conception of socialism. After all, politicians campaign for a government position, and for that reason their program focuses on what they propose to do through the state once elected.

The history of political party socialism strongly suggests that this tends to lead to a focus on things like statist nationalization of industries and building up a managerial hierarchy that controls a certain service or industry, such as a public utility or health care service or schools. This leads us away from a kind of socialism that focuses on worker power and the struggle for working-class liberation from subordination to a dominating, exploiting class.

The Limits of an Electoral Strategy

This brings us to the fundamental problems of a strategy that focuses on electing leaders to government office. The path to socialism through the

institutions of the state has numerous problems that suggest it isn't really workable, and perhaps the most important of these is that it is self-defeating, as it undermines a movement for working-class liberation. Democratic socialists are often aware of many of the pitfalls, but let's examine the difficulties.

The capitalist elite has vast wealth at their command and use it in numerous ways to control what the state does. They own and control the corporate media. They fund a flock of think-tanks—more than sixty in the right-wing State Policy Network. They employ teams of lobbyists who provide a constant presence in state and federal capitols for elite interests.

Money for advertising is an important factor in most campaigns—for printing and mailing material to constituents and ad campaigns. Electoral campaigns in the U.S. are hugely expensive. In 2016, for example, \$7 billion was spent on federal campaigns.⁵ Most winners in congressional elections are the people who spent the most money. For anyone who wants to run as an endorsed Democrat, the Democratic Congressional Campaign Committee insists they get on the phone with their list of wealthy donors (who will be looking for someone who can protect their interests).

With wealth and income highly concentrated in the United States, we know who has the most cash to finance politicians. More than one-quarter of all disclosed political contributions in 2012 came from just thirty thousand people. (And many donations go unreported.) Some researchers have concluded that wealthy people and business interests have fifteen times the political efficacy of the rest of the population.

Even if a radical is elected to Congress through wide labor and popular local support, they will face a constant series of proposals that their limited staff may not have the expertise to evaluate and deal with.

The American governmental structure is particularly difficult for an anti-capitalist project. The original Framers of the U.S. Constitution set it up to cement elite power in place and make it difficult for any mass insurgency to capture the state. A great deal of power is concentrated in a single executive—president or governor—and this includes veto power. Since the era of the American Socialist Party's electoral campaigns in the early 1900s, Democratic and Republican legislators have passed various laws that make it difficult to elect politicians outside the two-party shared monopoly.

Even if these speedbumps are surpassed, an electoral socialist bloc must

still be re-elected, and they will be under pressure from extensive scare-mongering and howling by the media and the elite-funded PR machine if they attempt radical measures. Because of this, radicals elected to office are likely to back away from radical measures for fear of losing middle-class votes.

If they do try to enact measures that threaten capitalist power, the capitalists have the ultimate power to move their capital elsewhere. They can shutdown workplaces, shift funds to other countries, and so on. The operations of the financial markets can seem a form of economic terrorism, threatening drastic consequences. When French socialist François Mitterrand attempted major nationalizations in 1980, there was a massive shift of investment funds out of France, and Mitterrand was forced to reverse course.

And how can the working class control a professional politician once elected to office? The institutions don't provide any means for us to force them to show up to local assemblies to explain themselves. Most jurisdictions have no provisions for recall. Even where referendum and initiative (legislation from below) exist (at state or local level—not at the federal level), these are often dominated by moneyed interests who control the media blitz and fund signature-gatherers to get measures on the ballot that favor their interests. For example, in September 2019, the state legislature in California passed a law that mandated a minimum legal wage and paid sick days for “gig” workers who had been treated as low-paid “independent contractors” by tech platforms like Uber, Lyft, Doordash, and Instacart. Well-heeled Uber and Lyft then spent \$185 million to overturn the law through a ballot initiative, paying for signature gatherers and a flood of dishonest mailers to voters.⁶

The electoral venue is not favorable terrain for the working-class struggle for change. The non-voting population tends to be poorer—more working class—than the voting population.⁷ The more affluent parts of the population tend to vote more regularly, which means the working class can't bring its advantage in numbers to bear in elections. To the degree voter suppression tactics are carried out, they are aimed at the poorer part of the population (such as in denying right to vote to former prisoners). Even more important is the fact that a large part of the working-class population do not see why they should vote. They don't see the politicians as looking out for their interests. In the United States, the voter turnout in presidential

elections has been roughly half the population (55 percent in 2016)—and often significantly lower for non-presidential elections.

A strategy for change that is focused on elections and political parties tends to focus on electing leaders to gain power in the State, to make gains for us. This leads us away from a more independent working-class politics that is rooted in forms of collective action that ordinary people can build themselves and directly participate in—such as strikes, building direct solidarity between different working-class groups in the population, mass protest campaigns around issues that we select, and the like.

An electoralist strategy leads to the development of political machines in which mass organizations look to professional politicians and party operatives. This practice tends to create a bureaucratic layer of professional politicians, media, think-tanks, and party operatives that develops its own interests. Because they are concerned with winning elections and keeping their hold on positions in the State, they may oppose disruptive direct action by workers, such as strikes or workplace takeovers.

Electoral politics also tends to create a certain kind of leadership over the movement. When the strategy is focused on electing people to state office, college-educated professionals and people with “executive experience” (maybe as paid official of a bureaucratic trade union or executive of a large non-profit) will tend to be favored as candidates to “look good” in the media. Electoral politics tends to give a structural advantage to professionals and people of the dominating classes. According to one recent study, working-class people in the United States “have never held more than 2 percent of the seats in any Congress since the nation was founded.”⁸

And this means people of the professional and managerial layers will tend to gain leadership positions in an electorally oriented party, which tends to diminish the ability of rank-and-file working-class people to control the party’s direction. This is part of the process of the development of the party as a separate bureaucratic layer with its own interests.

The Social-Democratic Illusion

By the post-World War II era, the capitalist countries in Europe and North America had built up “welfare states” that provided benefits of various kinds to the working-class population. The New Deal in the US in the 1930s had created programs like the Social Security “people’s pension,” monetary support for single mothers (Aid to Families with Dependent

Children), the legal minimum wage and systems of unemployment benefits (via the Fair Labor Standards Act). The Wagner Act provided a legal route to union recognition and collective bargaining with employers. In Britain, the Labour Party government after World War II created the National Health Service to provide universal free or inexpensive health care for all.

These results tended to support the illusion that these changes were simply brought into being through the electoral process. This strengthened the idea that socialism could be created through a series of reforms created by an electoral political party.

In reality, the widespread concessions to the working class in Europe and North America by the post-World War II years were the product of an era of massive struggle and upheaval. From World War I to the late '30s there were revolutions in a number of countries (Russia, Finland, Hungary, Spain), civil wars, general strikes, and mass factory occupations. Fascism arose in Italy in the 1920s in response to the revolutionary challenge to the system posed by the Italian working class in the *biennio rosso* ("two red years") of 1919–20—regional general strikes, emergence of a radical grassroots shop delegates movement outside the bureaucratic trade unions, and a radical drive for worker control. All of this came to a head with the massive seizure of industry by a million Italian workers in September of 1920.

In Europe, Latin America, and elsewhere, working-class support for socialism had grown tremendously. This was reflected in the emergence of large socialist and communist political parties as well as revolutionary union movements—such as the mass revolutionary syndicalist unions of the 1920s and '30s.

After a decade of broken strikes, declining wages, work intensification, and Republican "free enterprise" politics in the United States, polls in 1932 indicated that a quarter of the population thought a revolution was needed. In a mood of widespread anger and despite high unemployment, American workers began a huge wave of strikes in 1933. Hundreds of thousands created new grassroots unions from scratch. And in 1936–37, a thousand workplaces were taken over in the wave of sit-down strikes. With mass participation in union meetings, new democratic organizations, and concessions forced from employers by strikes, workers develop a stronger sense of their potential power, which supported a growth in radical aspirations. Class formation was taking shape.

Many in the capitalist elite in Europe and North America believed the capitalist system itself was under threat. Thus the elites came to the conclusion they had to make concessions to the working class, to provide a semblance of legitimacy for the system in the eyes of a discontented population.

In the US, President Roosevelt's original 1933 program was the conservative National Recovery Act (NRA). This was a scheme to allow firms in the same industry to form a cartel, to raise prices and stop the cost-cutting that was feeding deflation. With "tripartite" boards of government and corporate representatives and union bureaucrats, the NRA had similarities to Mussolini's fascist "corporatism." Faced with a vast strike wave and workers denouncing the NRA as "the national runaround," the Democrats were forced to "move left"—passing the various welfare state measures of the later New Deal.

Although these measures were gains for the working class in various ways, they also contained many limitations, such as concessions to racist southern Dixiecrats. At that time, many Black workers in the south were employed in agriculture and as domestics, and these workers were exempted from the Fair Labor Standards Act and Social Security.

During the 1950s and '60s, worker organization and strikes enabled workers to push wages up to keep pace with inflation, as investment in new technology created higher levels of productivity. A similar dynamic to the '30s played out in the '60s through the growing social movement protests (among African-Americans, women, gay people), the growth of strikes of teachers and other public sector workers, a rising level of wildcat strikes. These movements broke the old Jim Crow regime in the south and pushed an expansion of the New Deal welfare state through things like Medicare and increases to the "social wage," such as housing subsidies and public transit subsidies, and new environmental protection laws.

What Kind of "Socialist Democracy"?

As libertarian socialists, syndicalists also favor a democratic conception of socialism. But syndicalists and electoral party socialists work on different strategies. The differences in strategy go hand-in-hand with different ideas about the meaning of "democracy."

Libertarian syndicalists advocate for building working-class organizations—such as labor unions and tenant organizations—which are self-managed by the members. This means worker organizations based on

direct participation, where democracy means the democracy of discussion and debate in assemblies, and election of delegates who share the same conditions of life as the people who elect them and who are revocable in those positions. In this kind of working-class democracy, the conditions of life and work of working-class people are the conditions that shape the decision making.

This is very different than the kind of democracy that consists of elections to government bodies such as a state legislature or Congress where many of the participants are wealthy, and many are funded by the owning and managing classes. And your chances of re-election depend on how favorable you are viewed in the corporate media.

This changes the shape of what “socialism” and “democracy” mean. For syndicalists, socialism is about human liberation, and a central part is the liberation of the working class from subordination and exploitation in a regime where there are dominating classes on top. Thus for syndicalism, the transition to socialism means workers taking over and collectively managing all the industries, including the public services.

Rather than power of planning and policy in a statist legislature and the bureaucratic managerialist hierarchy of the state, for syndicalists, the neighborhood and worker assemblies are seen as the starting point for the proposals, and these filter up through the revocable delegates to the democratic delegate councils or congresses—such as a congress of worker delegates elected from workplaces throughout a region.

Instead of top-down, repressive professional police and military forces, we propose that these be replaced by a workers militia or popular militia under direct control of the working-class democracy.

We want the public services—such as free comprehensive health care and free quality child care and public utility grids run on a non-profit, ecologically sustainable basis—but under worker self-management.

If socialism requires the emergence of a very high level of cohesion and solidarity within the working class, why would this movement want to then pit workers against each other in some competitive system of “market socialism”? A problem with market socialism as a model is that the market ends up being a transmission belt of oppression. If some firms can gain profits by shifting costs onto others—through pollution or a more brutal work intensification—other firms will find they are under pressure to do likewise if they wish to survive. In a society where workers don't really have

opportunities to fully develop their potential, the scarce skills of some—such as those with professional or marketing expertise—can pressure cooperatives to give them special privileges. As I discussed in the previous chapter, you can see how this has played out in the Mondragón cooperatives in Spain where a hierarchy of managers and high-end professionals is in charge, and workers are subordinate.

Reformist versus Non-Reformist Methods

When I began the discussion of strategy in chapter six, I suggested that the process of class formation gives us a way to evaluate strategies. As I see it, various aspects of electoralist socialism tend to undermine the process of class formation.

In building mass organizations and movements that fight for reforms (changes that are less than total), we are building various kinds of organizations with the capacity for ongoing defense of the interests of constituencies that have a stake in social change. Of course the scope of potential change depends on the social power of the movements pushing for these changes.

But there are different ways to fight for reforms—and our choices will have effects on the development of working-class power to make change. There are certain approaches to social change that tend to build up—and crucially rely upon—bureaucratic layers that are apart from—and not effectively controllable by—rank-and-file working-class people. These are approaches that focus especially on indirect action, relying on paid hierarchies such as the entrenched paid bureaucracy of the AFL-CIO “international unions,” executives and paid staff of large non-profits, professional politicians and paid political operatives and lobbyists.

Approaches that build up a bureaucratic layer include both electoral socialism as well as approaches that rely upon lobbying and negotiations controlled by the paid hierarchy of a staff-driven union, rather than elected negotiating committees and direct action in workplaces. Electoral socialist parties tend to build up a kind of bureaucratic social layer that is separate from the everyday experience of working-class people.

Over time, these political parties tend to become increasingly integrated into the capitalist system. This process played itself out in both the history of the European social-democratic parties in the early 1900s as well as in the post–World War II history of European Communist Parties.

These approaches to fighting for reforms that rely upon indirect action

(lobbying and negotiations by the paid apparatus of unions, or election of politicians to government office) are *reformist* forms of action and organization. When I say they are reformist I do not mean merely that they are aiming at only short term changes or “reforms.” I’m referring to the *way* they fight for these reforms.

Here I think we can contrast reformist and non-reformist forms of action and organization. Reformist methods of action and organization are not based on the people directly affected by the issues organizing and controlling action on their own behalf. Rather, they rely upon paid bureaucrats and representatives to win gains for us. This is the layer of paid officers and staff in bureaucratic “service agency” unions, the paid staff and executives of non-profits that “advocate” for us, or the politicians who we vote into office.

Instead of workplace negotiations controlled by an elected rank-and-file negotiating committee, they are controlled top-down, by paid officials and staff. Rather than an active presence in the workplace where elected stewards and worker discussions and meetings are dealing with issues that come up, people think of the “union” as akin to an insurance agent—someone in a distant office somewhere.

Rather than a union’s political agenda being determined in member meetings, active worker committees, or by delegates at democratic conferences controlled by the local organizations, the political activity of the union is focused on what the paid layer are doing. Instead of relationships with other organizations developed through rank-and-file initiatives to reach out to other unions and social movement organizations, union officials schmooze up executives of foundation-funded non-profits. Often the paid officials back campaigns of politicians who act contrary to the interests of workers, such as the public sector workers the politician rules over when in office.

I am also not talking about the character of the reform being fought for. Some people think there are reforms that somehow lead inevitably away from capitalism, and they call these “non-reformist reforms.” I don’t think there is such a thing as a non-reformist reform. Any short term change that remains within the capitalist framework can be either revoked later or subverted (such as through corporations “capturing” government regulatory agencies).

When rank-and-file workers participate directly in building unions, in

carrying out a strike with co-workers, or in reaching out to others in the community to build solidarity, it directly engages rank-and-file working people and helps people to learn how to organize, it builds a sense that “We can make change.” Through disruptive strike action, workers build actual power and also learn directly about the system, such as when they see the reaction of the police, media, and politicians.

We can say that an approach to action and organization for change is *non-reformist* to the extent that it builds rank-and-file-controlled mass organizations, and builds self-confidence, self-reliance, organizing skills, wider active participation, and solidarity within the working class. This has a direct effect on class formation because the growth of organizations that rank-and-file working people control and direct worker action and solidarity builds the social power of the working class.

And this affects the sense of possibility the working class has; it encourages people to develop the aspiration for deeper changes in society. In this situation, mass organizations of struggle create space for active workers who have a radical agenda for social change to connect with the grievances and concerns of other working people. This develops a social base to fight for radical change. To the degree that working-class people do not see themselves as having the power to directly change the society, they are likely to see the ambitious agenda for radical change offered by socialists as “pie in the sky” or “nice ideas but unrealistic.”

Thus *syndicalism* can be defined as an approach based on non-reformist methods of action and organization. Syndicalism has also been called “revolutionary unionism” and the emphasis on non-reformist forms of action and organization is key to what “revolutionary” means here. In the 1960s, the British group Solidarity defined the distinction between reformist and non-reformist forms of action and organization this way:

Meaningful action, for revolutionaries, is whatever increases the confidence, the autonomy, the initiative, the participation, the solidarity, the egalitarian tendencies and the self-activity of the working class and whatever assists in our demystification. Sterile and harmful action is whatever reinforces the passivity of the working class, our apathy, our cynicism, our differentiation through hierarchy, our alienation, our reliance on others to do things for us and the degree to which we can therefore be manipulated by others—even by those allegedly acting on our behalf.²

A basic problem with electoral socialism is that it is fundamentally based on methods of action and organization that tend to undermine class formation. This is due to the reliance upon indirect action (what others are going to do for us) and various bureaucratic layers (professional politicians, professional organizers, the paid hierarchy in trade unions and non-profits).

A basic problem with reliance on reformist methods is that the demobilizing effects tend to snowball over time, leading to a loss in the capacity of working-class people to challenge the system. This became pretty clear in the years after World War II, an era in Europe and North America when the new grassroots unions, general strikes, workplace seizures, and pitched battles of the '30s were a fading memory. Top-down paid bureaucracies consolidated their hold—even in the Communist trade unions in Europe—and reformist forms of action and organization were the order of the day. The demobilizing effect over time, and declining class consciousness, set the stage for the shift of capitalist elites to neo-liberal austerity politics.

An Argument against Revolutionary Transition

One argument for electoral socialism these days is the difficulties with the alternative strategies. In his book *Envisioning Real Utopias*, Erik Olin Wright distinguishes three types of strategy for transition to self-managed, democratic socialism. When cooperativism is put forward as a way to get past capitalism, Wright calls this an “interstitial” strategy: building the new society in the cracks of the old.

Wright calls reformist strategies “symbiotic,” as they rely upon social-democratic reform politics and bureaucratic trade unions. The label “symbiotic” suggests the way the bureaucratic layers in parties, foundation-funded non-profits, and “service agency” unions tend to develop a stake in maintaining their role in the existing capitalist regime, helping to preserve the system.

Strategies that foresee a fundamental break with the legality of the inherited capitalist regime are called “ruptural” strategies by Wright. Syndicalism is a ruptural strategy. This is clear enough in the syndicalist conception of an “expropriating general strike” where workers seize control of the means of production and create their own democratic organizations to self-manage the industries.

If we look at the methods that were used by the American labor movement in the '30s, there were elements of a ruptural strategy at work

even though revolutionary politics did not become dominant in the American labor movement in those years. Unions routinely responded to anti-labor court injunctions by disobeying them. City-wide or regional general strikes rolled over various laws. Workers seized a thousand workplaces in the sit down strikes in violation of capitalist property rights. As Frank Marquardt says in *An Auto Worker's Journal*, American workers “did revolutionary things and expressed revolutionary thoughts” in those years.¹⁰

Wright presents his argument against ruptural strategies as follows: “Ruptural strategies have a grandiose, romantic appeal to critics of capitalism, but the historical record is pretty dismal. There are no cases in which socialism as defined here—a deeply democratic and egalitarian organization of power relations within an economy—has been a robust result of a ruptural strategy of transformation of capitalism. Ruptural strategies seem in practice more prone to result in authoritarian statism than democratic socialism.”¹¹

When a revolution is propelled and controlled by a guerrilla force in the hands of a top-down political party (as in China and Cuba) or a single political party works to gain a complete party monopoly of state power (as the Bolsheviks did in the Russian revolution), then it seems to me the authoritarian, statist outcome is prefigured by those methods. If we think of these as the only “ruptural” strategies, Wright’s fears make sense. Marxism inherited a concept of party hegemony that tended to create a drive for one-party control through a bureaucratic state structure, and the results have been dismal indeed where this partyist/statist politics wins out. But guerrillism or the seizure of state power by a “revolutionary vanguard party” are not the only forms of ruptural strategy.

In fact, the syndicalist strategy is designed precisely to avoid the problem that Wright refers to here. Syndicalism is designed to generate a democratic outcome by building highly democratic working-class mass organizations, rooted in direct participation and rank-and-file control, and making these organizations the controlling force in the process of social transformation.

Wright mistakenly assumes that hegemony of a political party is an essential feature of ruptural strategies.¹² Nowhere in his book does Wright show any awareness of syndicalism, nor does he show any awareness of the democratic achievements of the syndicalist worker movement in Spain in

the revolution of the 1930s—such as worker self-management of industry created on a vast scale, thousands of collectivized villages run through assemblies and elected committees, and creation of a democratically structured proletarian army directed by the unions. This refutes Wright’s claim of an absence of cases of self-managed socialism built through a ruptural strategy.

In rejecting ruptural strategies, Wright proposes simply a mix of cooperativism with the methods of electoral socialism and bureaucratic trade unionism. But cooperativism suffers fundamentally from the limits I discussed in the previous chapter. Electoralism and cooperativism together cannot overcome the limits of each strategy.

Negotiation Among Socialists

Even if democratic socialists, revolutionary Marxists, and other radicals continue to look to electoral politics as part of their strategy for change, many of them also favor a focus on building grassroots struggle—whether that be more democratic unions, pushing strikes to gain working-class power, and building other forms of grassroots social movement organizations. For many activists in the DSA or other socialist groups, this may be their main personal focus.

For libertarian socialists and syndicalists, this presents the possibility of a kind of “united front from below” in actual organizing situations, in workplaces, in tenant struggles, and so on. Mass organizations tend to have a diversity of viewpoints among the members because the organization is put together around the immediate situation of the particular constituency—workers in this workplace, tenants in this city, and so on.

It’s of course possible for syndicalists in an organizing situation of this sort to differ from other socialists in their approach. For example, do certain activists want the union we are building to affiliate to one of the bureaucratic “international unions” rather than build an independent, member-controlled union in this sector (such as a large warehouse or a small supermarket chain)? Do they approve of unions having a paid hierarchy, narrow focus on routine bargaining with employers, and the limits of no-strike contracts? Does the focus on “bad leadership” contribute to a strategy of trying to change leaders rather than building a different kind of unionism?

It may be possible in various situations for activists to come to agreement on the kind of organizing agenda that syndicalists or libertarian

socialists would favor—even if some of them also support electoral socialism as part of their overall strategy. The key thing is for the non-reformist approach to gain greater weight overall in the movements and struggles that develop. But what about the long-run situation?

Even if the working class develops more independent and self-managed types of unions and other social movement organizations, and is moving toward a harder challenge to the powers-that-be—and even if libertarian socialists and syndicalists are more successful at growing support for their approach—there are still going to be many working-class people who are likely to support an electoral strategy for change.

Even if a class front or social movement alliance of the type I described in chapter six does become quite powerful—even dominant among the forces for change—it may be the case that there are still segments of the labor and social movements backing an electoral approach. And perhaps an electoral socialist party has emerged that has gained a significant following. What then?

Advocates for the “two legs” approach to socialism—both mass self-activity such as strikes and grassroots organizations and electoral politics—often argue that the grassroots movement can keep the politicians “accountable.” I think this is highly unlikely. The whole dynamic of electoral socialism means that “leadership” flows to the bureaucratic layers of politicians, party operatives, and the union bureaucracies aligned with them. The rank-and-file look to the party leaders as the leaders of their movement. As long as mass organizations such as unions are tied to a political party, they will not have the independence they need to control what the leadership do. I think the whole history of the socialist movement supports what I am saying here.

This is why there needs to be a highly independent and powerful working-class movement, independent of political party leaders and other bureaucratic layers. If we imagine a situation where a major political and social crisis is unfolding and elected socialist leaders in government are under pressure from below to authorize a major break with the inherited capitalist and bureaucratic legality—such as large scale takeovers of industry by workers and replacing bureaucratic city and regional state institutions with assembly-based forms created from below—there could conceivably occur a process of negotiation where an independent mass movement forces the politicians to authorize the changes. In that situation, it would be best if

the elected leaders can be forced to go along with what is demanded, because their election to office probably conferred a certain legitimacy in the eyes of their supporters.

This was actually what happened in the Spanish revolution in 1936 with the mass syndicalist union, the CNT, which represented about half the organized union members in the country. The CNT tried to negotiate with the Socialist Party prime minister, Largo Caballero. He was also executive director of the other major union in the country, the UGT, a more centralized and bureaucratic trade union.

In the negotiations, the CNT pushed for a program that would require government approval for worker self-management of industry throughout the Spanish economy, expropriating the banks, a unified popular militia (rather than a conventional top down army), and replacing the existing national government with a “Defense Council” (joint power of the CNT and UGT unions). The editors and journalists at the CNT daily papers in Madrid and Barcelona were pushing this. According to the editor of the Madrid paper, Eduardo de Gúzman, “To make a revolution, power must be seized.” He described the CNT proposal as a “proletarian government, total working class democracy in which all sectors of the proletariat—but the proletariat alone—would be represented.”¹³

Even though Largo Caballero had been giving speeches for several years calling for a “proletarian revolution” and a “workers’ government,” when the possibility arose, Largo Caballero said he didn’t want to “jump outside the constitution.”

Now, the CNT had been built up independently of electoral politics in Spain. They were engaging in large scale worker-initiated expropriations of industries. They had built a proletarian army of tens of thousands run by their union. Nevertheless, as things played out, the CNT failed to take a hard enough bargaining stance with Largo Caballero. Through a series of national conferences of delegates, they gradually retreated from the hardline position, eventually capitulating to Largo Caballero and the existing Popular Front government.¹⁴

They could have pursued a different course. They were not strong enough to seize power all over Spain but they could have seized political power in the regions where they were dominant. (They did this in the region of eastern Aragon. The local UGT elected a minority of the representatives on the regional working-class government, the Aragon

Defense Council.) This would have been a way to beef up their bargaining position, to increase the pressure on Largo Caballero.

My point is this: Even if socialists are elected to government positions, we cannot count on them to carry forward the necessary course of action, to move toward self-managed socialism. A powerful working-class movement needs to be developed “from below,” independent of electoral politics. Even if this is done, however, the electoral tendency in left-wing politics may continue to have significant backing by the working class. And so some form of negotiation is going to be likely for the various segments of the working class-based social forces to work out a path forward for social transformation. It is unrealistic to imagine that a socialist political party can be kept accountable to a popular base through its own party-controlled movement. A strong working-class social movement needs to be built up independently of political parties—that is, independently of leaderships aiming at getting state power in their hands.

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Chapter Nine: The Two Souls of Unionism

The dominant type of organization that workers have formed to resist the coercive power of management in workplaces are unions. The word *union* derives from the idea of workers acting “in union” with each other. As Ralph Chaplin put it:

When the union’s inspiration through the workers’ blood shall run,
There can be no power greater anywhere beneath the sun;
Yet what force on earth is weaker than the feeble strength of one,
But the union makes us strong.

The British writer R. H. Tawney once described capitalist management of the workplace as “autocracy checked by insurgency,” and, indeed, a kind of insurgency takes place when workers band together to form unions. Worker unions are a key working-class organization because of the potential power workers gain from collective resistance but also because of the potential role of unions in social transformation.

What role can the labor movement play in social transformation? Can large organizations that are built by workers through their struggles with the employers become a force to move society beyond capitalism? If we look at present-day American unions of the AFL-CIO type, many people may find it hard to imagine unions as a force for social transformation, as these unions have been unable to reverse their long slide. Unionism in the private sector embraces only 6.2 percent of workers today—less than in 1900. How can worker unionism be rebuilt into a larger, more effective, and worker-controlled movement? Can the inherited AFL-CIO-type unions be somehow taken over by workers and made into effective class-struggle organizations?

The AFL-CIO-type national unions, with their thick top-down bureaucracies of paid officials and staff, have been unable to reverse the long decline in union membership. Strikes that shut down production and the flow profits to enforce worker demands are essential to worker social power, yet strikes have vastly diminished in number and scope.

The absence of unions in large areas of the economy presents us with

both the need to “organize the unorganized” and the possibility of building new worker-controlled unions, independent of the AFL-CIO-type unions, with their thick layer of case-hardened, top-down bureaucracy. On the other hand, if we are going to revitalize unionism into a more effective fighting force, we also need to have a strategy that can be used by workers in the places where the inherited “international unions” are still entrenched. Kim Moody has advocated a well-known approach for this situation in his pamphlet *The Rank and File Strategy*, which I will come back to later in this chapter.⁴ I’m going to argue for a two-pronged “inside/outside” approach—that is, inside and outside of the framework of the AFL-CIO-type unions.

The Role of the Bureaucratic Layer

The characteristic feature of American unions since World War II has been the dominant role played by the layer of paid officials and staff. Each union operates in a silo where the paid officials and staff negotiate contracts, typically one employer at a time.

Even if paid national or local officers started out working in the unionized shops, they no longer do. Their career in union office provides a different way of life. Rank-and-file members may face autocratic supervisors, chemical exposures, or job stress from speed up, but the full-time officials no longer do. Because the union official’s way of life is bound up with the union institution, they tend to oppose strikes or other courses of action that may risk fines or risk the union’s destruction. Thus we see officials adopting a mentality of subservience to the law and court rulings, and really strikes are a lot of work and this extra stress doesn’t increase their pay.

These days, more than 90 percent of union contracts in United States have a clause that prohibits strikes during the life of the contract. This has been a factor in post-World War II union bureaucratization. Federal judges have interpreted these clauses as banning any kind of collective struggle, including slowdowns and sick outs. This acts, in effect, as legal handcuffs, making it harder to build a strong in-the-shop worker organization to push back against the day-to-day power of bosses.

No-strike contracts also get in the way of unions engaging in solidarity actions with other workers on strike. For example, in 1999, the three hundred workers, members of ILA Local 1814, at the 143-year old Domino Sugar plant in Brooklyn attempted to prevent the company from laying off a third of the workforce. They challenged the Lyle & Tate

conglomerate by going on strike on June 15. While the workers held out for twenty months, workers at other Domino Sugar plants worked overtime to make up the difference. In Baltimore, there was another plant, represented by UFCW Local 1101, and the head of that local explained why he refused to consider a sympathy strike: “If my contract were expired, I would have joined them 100 percent.” He’d rather scab on fellow workers than take the risks of breaking the sacred contract.²

Most contracts nowadays also have stepped grievance procedures. A distant grievance hearing makes it harder for workers to bring leverage to bear on beefs, since their leverage lies in their ability to gain solidarity of co-workers and disrupt work. This also contributes to the lack of shop floor presence for the union because it means issues aren’t dealt with through worker self-organization on the job. Grievances are often handed over to lawyers, which encourages a narrow legalism and the view that disagreements should be “handled by professionals”—not workers themselves.

Supporters of the no-strike contract sometimes say, “Why would an employer sign an agreement if the workers could simply stop work to wage a fight during the life of the contract?” Unionists should support the right to strike. Workers gain power when they engage in strikes that shutdown the whole operation; companies lose profits. This was why many agreements were signed by employers without no-strike clauses in the decades prior to World War II. Although unions of the American Federation of Labor began the practice of “no strike” contracts in the early 1900s, there were still many agreements negotiated with employers before World War II that did not make a “no strike” promise. For example, the contract negotiated by the Teamsters local union in Minneapolis, after the widespread struggle of drivers and warehouse workers in 1934, explicitly asserted the right to strike over issues that came up during the life of the contract.

The pervasive no-strike clauses and stepped grievance procedures of today go back to WWII and the efforts of the National War Labor Board (NWLB) to force industrial peace. In the wake of the many hundreds of sit-down strikes in 1936–37, brief stop-work events or “quickie strikes” were a common way for workers to push back against management on the job into the early ’40s. Issues would be resolved directly with supervisors in the workplace. The National War Labor Board developed the stepped grievance

procedure as a way to suppress this kind of direct struggle.

“The NLRB understood that innumerable grievances would arise in the day-to-day life of the workplace,” writes Nelson Lichtenstein, “but the board sought to build a system of shop governance that would settle these disputes and at the same time prevent them from either interfering with production or challenging wholesale the . . . authority of shop management. To this end, the board elaborated a system . . . that removed industrial disputes from the shop floor and then provided a set of formal, bureaucratic procedures to resolve them.”³

This changed the actual balance of power because informal work groups and shop stewards would have greater leverage in the workplace. If the struggle is controlled by workers in the shop, workers could take up issues whether the contract or labor law was on their side or not. Shifting the issue out of the workplace tends to limit the issue to narrow contract interpretation. The focus shifts to the activity of business agents or professional staff, not workers.

At the same time, government pressure during the war also pushed for making no-strike commitments common in all agreements. By the 1950s, the abandonment of the direct struggle over control of the work and the workplace came to be codified in “management rights” clauses in contracts. These clauses concede to management the right to make decisions about workplace organization, use of technology, management salaries, investment decisions, and impacts on the community. This is part of the tendency of bureaucratic unionism to narrow the conflict with employers to issues of wages, benefits, and some conditions of employment or work rules.

This doesn't mean that workers in fact have totally abandoned all control struggles. When teachers fight for smaller class sizes or more resources for students, or when nurses fight for more nurse staffing, these are control struggles. The main issue in a recent national refinery strike was over the right of workers to stop a maintenance operation they regard as unsafe. This is also a control struggle. Nonetheless, there was an increasing tendency by the officials to abandon the fight over conditions in the workplace by the 1950s. In fact this was a reason for the big increase in wildcat strikes that took place in the United States in the late 1960s and early '70s. An example was the wildcat strike at the General Motors Lordstown, Ohio, plant in 1972—a response to a brutal increase in the speed of the assembly line.

To the extent unions abandon the day to day struggle in the shop it often leads to a situation where there is a lack of a visible union presence in the workplace. Workers then think of “the union” as a distant office—not an active association of workers there in the workplace. Under the bureaucratic “servicing” model of unionism, the union is seen as something akin to an insurance agent. The day-to-day struggle against management power is crucial to rebuilding militancy and a fighting labor movement in United States. The cohesion of workers in facing management power is built through a period of time as people have each other’s backs over grievances or issues that arise. Syndicalist activists and organizations (such as the IWW) always emphasized the day-to-day struggle in the workplace because of its importance in building active participation by workers in fighting management and building the cohesion and “class consciousness” in the workforce.

Another weakness of the American unions is their extreme sectoralist practice. As the bureaucratic service agency unions tend to limit their action to routine collective bargaining over economic issues with particular employers, there is little coordination across unions for developing campaigns or struggles on class-wide issues. But this is also entrenched in the very structure of the AFL-CIO: no worker belongs to the AFL-CIO; it is just a loose alliance of the top officials of the national unions. There is no national worker congress where workers can elect delegates to work out a common agenda and campaigns for the labor movement or create a unified working-class struggle for change in society. The structure of the AFL-CIO simply entrenches the go-it-alone practice of siloed fights, one employer at a time. After World War II, the American labor movement had an opportunity to press for adoption of a free universal health care system. Instead of a common campaign, the various national unions developed “private welfare states” for their own members, but the non-union part of the working class was abandoned. Moreover, benefits tied to the employer tends to discourage strikes, as workers are afraid of losing health care coverage.

I’m not saying the officials will not mobilize workers for fights with the employers. In fact, they do so at times because it’s necessary to force the employers to negotiate. But they try to do this without blowing up their established relationship with management or risking the open hostility of the State. This means there is a tendency to place limits on how far the

struggle escalates. They justify this because they tend to confuse the union institution with working-class interests. They make this confusion since the union institution is the basis of their power and way of life.

In the words of historian Robert Brenner, “From the end of the ’30s through the whole postwar period, the labor officialdom . . . made every effort to confine the union to non-confrontational methods of struggle that would not get out of hand and threaten employers.”⁴ This makes the paid hierarchy of the unions a roadblock to the revival of the kind of widespread struggle and solidarity that are needed to build worker power, grow unionism in new areas, or mount a fundamental challenge to the capitalist regime. Rather than looking to build wider direct struggle to push for change, the bureaucratic layer encourages workers to see politicians and electoral politics as the solution to their problems.

Depending on the Democrats as an avenue for social change creates a limit to union action and politics. Indeed, electoral politics is a bad strategy for building working-class power. The majority of working-class adults don’t vote, while business owners, high-end professionals, and managers vote very regularly. Democratic Party politicians will tend to shy away from radical proposals for fear of losing middle-class votes or withdrawal of funding from people with money. Even if there were a labor or social-democratic party in the United States, the tendency of the paid union apparatus to look to the politics of elections and parties to overcome their weakness still tends to keep the unions stuck in the capitalist cage. In Europe, the division of labor between bureaucratic trade unions and political parties has a similar tendency to place limits on the goals of the unions. This is true even though the bureaucratic unions in Europe are often tied to political parties that used to have socialist or communist politics.

Once social-democratic or Left parties in Europe gained government office at various points in the past, they found themselves in the position of “managing” the capitalist economy, which put them in the position of ensuring “growth” and “stability” for the profits system. Staying in office meant avoiding anti-capitalist moves that might lose the votes of middle-class professionals and business people. This placed definite limits on how far they could go in attacking capitalist interests or favoring a working-class assault on capitalist prerogatives. Like the union bureaucrats, the politicians make their position easier by adopting positions favorable to the interests of the dominating classes. We can win some gains through electoral coalitions,

but it is not where working-class power lies.

Thus the role of the bureaucratic layers in both the inherited unions and in electoral politics form a fetter to advancing working-class struggle. They tend to keep the working class captive to the capitalist regime.

The Two Souls of Unionism

But control by this kind of bureaucratic layer is not inevitable—it's just one of the tendencies or "souls" of unionism as a social movement. In other times and places, a more grassroots, rebel "soul" comes to the fore, and forms of unionism emerge that are more directly controlled by workers. Worker control of unions makes it easier for large-scale mass struggle to develop, as in strike waves that have emerged in certain periods. These two tendencies can be in conflict in the same organization—such as when rank-and-file workers fight for greater democratic control in a local union or engage in a wildcat strike against a sell-out deal negotiated by paid officials. Unionism is a contradictory social phenomenon.

Because the entrenched control of unions by a paid bureaucratic apparatus tends to form a block to renewed mass struggle and democratic participation, workers often form large new unions to get around the bureaucratized unions. This is what happened in the two greatest periods of mass worker insurgency in American history: the "new unionism" of 1909 to 1921, and the worker insurgency of 1933 to 1937. Between 1909 and 1920, union membership doubled in America, from 10 percent to 20 percent. Again, union membership in the 1930s grew from 2 million to 14 million. In both periods, hundreds of thousands of workers formed new unions outside the inherited bureaucratic unions of the American Federation of Labor. The potential for unionism as a real force for change depends on the re-emergence of direct worker control over struggles and organizations, and towards a wider horizontal working-class solidarity.

History is instructive here. Periods of growing working-class insurgency have also been periods when workers have built new organizations more directly under their control. Unionism in the United States has not grown in a gradual way but rather in cycles that are tied to working-class insurgency. As I said above, the two greatest periods of union growth came in large strike waves—in the World War I era and again in the early 1930s. From 1909 to 1921 union membership doubled through a vast insurgency that saw thousands of strikes every year. In the year and a half that the United States was engaged in combat in World War I, workers took

advantage of a war-time labor shortage to mount 6,205 strikes, which “took on an outlaw quality more than ever in the face of the AFL’s official pledge not to strike.” In an echo of 1886, there were six hundred strikes on May 1, 1916, which included the eight-hour day as a demand. These struggles forced the War Labor Board during World War I to endorse “a basic 8-hour day.”⁵

During this period of insurgency, nearly *a million* workers organized themselves into industrial unions outside the AFL. The hardest edge of the new unionism was the Industrial Workers of the World. But the IWW was just the tip of the iceberg.

To take an example, the American Congenial Industrial Union (ACIU) was a major independent union in Pittsburgh. A group of militants of the IWW, Socialist Party, and Socialist Labor Party had formed a kind of “united front from below” to organize the ACIU. Ultimately the union focused on organizing at the large Westinghouse complex in East Pittsburgh. Even though the organizing there was initiated by skilled tool and die makers, the workers rejected the AFL craft unions. A cross-craft unity was built through an organization based on elected shop steward committees, and in 1915, this independent organization carried out a ten-day strike of forty thousand workers.⁶ As with the 1913 IWW dock workers strike in Philadelphia, there was an elected rank-and-file negotiating committee and the agreement hammered out with management did not contain a “no strike” pledge. The committee typed up the agreement and tacked it to the workshop bulletin boards so everyone would know what management had agreed to.

During 1918–19 David Saposs traveled around the country doing extensive interviews with rank-and-filers and militants in the new independent unions. Saposs was a former shop steward at a Milwaukee brewery who studied under labor historian John Commons at the University of Wisconsin. Saposs reports that workers in the independent unions regarded the AFL’s conservatism as “abhorrent”: “From these interviews it was quite evident . . . that the mass of immigrant workers had become inculcated with the IWW passionate distrust of the AFL and possessed a religious reverence for revolutionary industrial unionism. . . . The local leaders felt that the rank and file would follow their advice provided that they did not override the current prejudice by affiliating with the [AFL] or discarding the idea of revolutionary industrial unionism.”⁷

The new unionism of the World War I era shows how the tendency toward renewal of struggle was enhanced by building new unions not controlled by the bureaucratic layers of the AFL. To understand *why* workers built new unions in those years outside the AFL national unions, it's useful to look at what the American Federation of Labor had become. By the World War I era, the AFL had already developed many of the practices that we see in more recent decades:

- Acceptance of the capitalist profits system and an orientation to “partnership” with the employers.
- “Collective bargaining” of no-strike contracts by paid officials.
- A narrow sectoralist practice focused on economic fights with individual employers.
- Lack of any direct way for workers in different industries to get together to develop a common class-wide program.
- Monopolization of decision-making authority and union expertise in a bureaucratic hierarchy.

The new unionism of 1909–21 was a period of widespread worker challenge to these AFL practices. According to labor historian David Montgomery, “The direct, mass-involvement challenge to managerial authority and contempt for accepted AFL practice workers exhibited in 1909–10 were to remain the outstanding characteristic of American labor struggles, not episodically but continuously for the next dozen years.”⁸

This challenge was expressed in many ways—direct struggle over control in the workplace, the appeal to class-wide solidarity and the break with narrow craft-union ideology, the use of rank-and-file negotiating committees, the recognition of a flat antagonism of interests between capital and labor, and the vision of a form of socialism based on “workers managing the industries.”

Another Episode of New Unionism: 1933–1937

Another vast growth in worker unionism rolled through the United States between 1933 and 1937. There were thousands of strikes every year. During 1933, 1.2 million workers participated in walkouts. “The country is full of spontaneous strikes,” Benjamin Stolberg observed in December 1933. “Wherever one goes, one sees picket lines.” Louis Adamic observed, “The worker’s unrest and feverish, militant efforts to form their own unions became marked by a profound sullenness, a great anger, a fighting mood.”⁹

As in the World War I era, 1933 to 1937 saw a widespread working-

class insurgency that posed a massive challenge to AFL business unionism. This large movement to build independent unions—similar in some ways to the “new unionism” of 1909–21—was a powerful re-assertion of the grassroots tendency in unionism. Between January 1933 and early 1934, about 250,000 workers formed new independent unions—usually with radical militants on the scene. These unions “wanted to have nothing to do with the AFL.”¹⁰

For example, the Industrial Union of Marine and Shipbuilding Workers (IUMSW) was a militant outfit with about four thousand members—organized at the shipyards along the Delaware River in Camden, New Jersey; Chester, Pennsylvania; and Wilmington, Delaware. As with the shipyard workers, other independent unions in Camden had a strong radical presence, including an industrial union at the Campbell Soup plant and the 2,600-member Radio and Metal Workers Industrial Union at Victor Radio, which was able to force the company to recognize it. The IUMSW was “the outgrowth of several years of intensive agitation . . . by the local branch of the Socialist Party.” The Camden socialists were “fanatically convinced industrial unionists” who were “also convinced that the AFL was worse than useless.” “Without money, without connections, in the depths of the depression . . . the Camden Socialists . . . started a feverish campaign to organize a ‘dual’ industrial union with a socialist outlook.”¹¹

Throughout the early 1930s, both the Communists and the IWW agitated against reliance on Democratic Party politicians, AFL officials, or government arbitration. Both groups agitated for industrial unionism, rank-and-file control of unions, class-wide solidarity, and disruptive collective action. This agitation fit in with the working-class mood at that time and helped to contribute to both the new unionism and the victories that would be achieved in that decade.

As in 1909–21, workers built new unions outside the AFL because the layer of paid officials formed a kind of block on struggles by workers, and made those unions less effective as vehicles of worker struggle. In the 1930s, thousands of labor radicals were crucial in the organizing that took place. In the account of that era in *The Labor Wars*, Sidney Lens points to the support of the militant minority for the tendency to worker-controlled, class-struggle unionism in that era:

The radical unionists of the 1930s brought to their work a number of a priori political concepts. They opposed in principle any

collaboration with capital . . . such as William Green had [practiced] in his attempt to win support from General Motors for unionizing the auto industry. The employer and the state were . . . implacable enemies to be fought to the death. Moreover, the new radicals felt that the “labor fakers” who . . . headed the old [AFL] unions . . . unless challenged, would undermine any legitimate labor struggle. The ultimate defense, then, against employers and labor fakers was to vest control of the affairs of unions in the rank-and-file membership.¹²

The militants understood that, to rebuild effective unionism, it was important for workers to control the struggles and organizations. Unionism has always had two conflicting “souls” or tendencies. In certain times and places, the rebel, grassroots soul of unionism comes to the fore. In other periods, a paid bureaucratic layer consolidates its position and looks to restrain the level of conflict in order to ensure the survival of the union as an institution in the hostile terrain of capitalist industry. This contradictory character of unionism is also expressed at times in the conflict between the rank and file of unions and the paid officials at the top.

The AFL tried to blunt the growth of new independent unions by granting charters to groups of workers to form local industrial unions as “federal locals,” outside the existing AFL national unions. But the AFL central office kept tight control and tried to prevent these groups from striking. Due to manipulation by the AFL, the workers in aircraft plants in Hartford, Connecticut, gave up their AFL federal local charters and formed the Aircraft Workers Industrial Union, under radical leadership. This 2,500-member union was “taking steps to unite the airplane industry everywhere” by 1934.¹³

In addition to the growth of independent unions in 1933–34, the AFL national unions also grew by 480,000 members in that period, according to the Bureau of Labor Statistics.¹⁴ But most of this new membership was in the steel and textile industries and most of that new membership was lost in short order due to the undemocratic practices of the AFL unions—ratifying the radical critique of the AFL.

The national textile strike in September 1934 provided a brutal lesson in why workers should not trust arbitration boards, politicians, and AFL officials. The main issue for workers in textile plants in the early 1930s was the “stretch-out,” meaning that employers were asking workers to tend more machines or more spindles than before. This enabled the firms to

make more money by cutting their wage bill. From 1933 to the summer of 1934, 250,000 workers joined the AFL United Textile Workers union (most of the AFL's growth in the period), demanding a strike against the stretch-out.

Eventually 360,000 workers participated in the September strike, shutting down mills in New England and many areas of the south. Active workers who had already shut down their mill would get in their cars and drive to the next mill town to spread the strike. This “flying squad” tactic was an innovation of the 1930s. The National Guard was called out against the strike in several states, and six members of a flying squad were gunned down in a confrontation with sheriff's deputies in South Carolina. Despite widespread violence against strikers, the strike held.

However, the strike committee was controlled by one of the national UTW paid officers, Francis Gorman, and the workers had no rank-and-file organization to control the strike. After President Roosevelt asked the UTW to end the strike, Gorman called it off without consulting the strikers. Roosevelt's arbitration board ended up giving the workers nothing. The stretch-out would go on. Gorman had ended the strike without guaranteeing there would be no retaliation on the part of the employers, and fifteen thousand strikers did not get their jobs back.¹⁵

The other AFL national union to make major gains in 1933–34 was the Amalgamated Association of Iron, Steel and Tin Workers (AA). This was a decrepit craft union with about three thousand dues-paying members in early 1933. After the passage of the NRA with its promises of “collective bargaining” rights, thousands of steel workers formed 125 new local unions of the AA—increasing the membership by more than sixty thousand. Rank-and-file activists in the new lodges in the AA were building a movement for a national steel strike. This strike movement in the steel industry finally came to a head with a large meeting of over four hundred delegates on February 3, 1935. Paid officials at the head of AA expelled the local “lodges” that were represented there—about three-quarters of the AA membership. By August 1935, AA was down to only five thousand members; most of the gains in membership in 1933–34 were lost.¹⁶ This illustrates the way the paid hierarchy of AFL unions got in the way of building militant action.

In addition to the huge growth of independent unions, both the Communist unions of the Trade Union Unity League (TUUL) and the

IWW also added about 75,000 members in 1933–34. TUUL was especially strong in New York City where the organization had its own cross-union labor council, and 45,000 members at the end of 1933. Although critics of the TUUL have labeled it a “failure,” and nothing more than “mere propaganda organizations,” the group did build a significant base in a number of places. For example, the TUUL union in the fur industry was large enough to simply take over the AFL union once the two merged.

As Ralph Darlington argues in *Radical Unionism*, the Communist movement in the 1920s had taken on many programmatic ideas from the syndicalist movement to form a “revolutionary industrial program.” Early in the decade, the TUUL had advocated building shop delegate councils in the ILGWU, for example. The TUUL’s form of rank-and-file unionism continued this practice: “The shop committee is elected by all workers in the shop, regardless of politics or craft, or union affiliation. It is thus seen how the shop committee is a democratic body. In most cases the work must be done illegally, that is, care must be taken not to expose the militant elements in the shop. Department committees must exist . . . for the purpose of making it easier to keep in touch with the daily grievances and problems that arise in each department of the shop.”¹⁷

Many elements of TUUL rhetoric and practice were adaptations from syndicalism—the critique of the AFL, the view that “the masses and the employing class have nothing in common,” the rejection of arbitration and emphasis on direct struggle, and the shop delegates councils and elected rank-and-file negotiating committees. “The shop committee never settles questions by themselves, from the top . . . but the workers decide.”¹⁸ TUUL emphasized active engagement of the rank-and-file drawn into the union: “Red trade unions, whose existence and effectiveness depends not only on the mass but how alert that mass is to its class interests at the point of production, must have a . . . large active organization for collective leadership. Organization inside big plants can only be done by developing the workers that work there into rank-and-file organizers.”¹⁹

The TUUL pursued an inclusive form of unionism that would be open to women and Black workers and oppose race discrimination, an approach that had been pioneered in the World War I era by the IWW. But the Communists went a step further, organizing against race discrimination in areas also outside the workplace—for “full racial, political and social equality” for Black Americans and against Jim Crow and lynch terror in the

south. Although the TUUL was tied tightly to the Communist Party (with CP control of top executive committees), Communist Party leaders frequently complained that militants failed to push party slogans (“Defense of Soviet Russia” for example) down through the unions.²⁰ There was a certain tension between the emphasis on rank-and-file unionism and the Leninist doctrine of hegemony of the vanguard party.

Despite the gains in TUUL membership in 1933–34, the Communists couldn’t ignore the growth of independent unions to the left of the AFL or the growth in the AFL unions. At that time, the leadership of the Communist International was in disarray after Hitler’s coming to power in Germany, and they hadn’t yet worked out a new overall strategy. American Communists were left to develop a new labor strategy from their own experience, and by the end of 1933, they were moving toward a new policy. The central aim in the new strategy was to unite the independent unions and TUUL unions together into a new “class struggle unionist” federation outside the AFL, which meant they would now get rid of the TUUL. Seeing the huge growth of the independent unions, the Communists wanted to put themselves at the head of that parade.

A June 1934 article in *The Communist*, by the party’s trade union secretary, Jack Stachel, spelled out their new direction. According to Stachel, their common aim was: “to make contact with the masses, to lead in struggle, gain influence, consolidate this influence among the masses.” Their goal was to gain hegemony for the Communist Party as the Leninist vanguard in the mass organizations, and to do this they had to put themselves at the head of the struggles that were being organized through various organizations.²¹

In industries or locations where there were substantial independent unions, the Communists would work to initially build a common labor council between TUUL unions and independents or work toward mergers of TUUL unions with independents. The Communists hoped to use their National Textile Workers Union as a vehicle for a merger of the many independent unions in the textile industry. Their model was the unification convention the Communists supported in the shoe industry in December 1933. The seven thousand-member TUUL Shoe Workers Industrial Union abandoned its TUUL charter to unite with a large number of independent unions, forming the independent United Shoe and Leather Workers Union.

The independent unions usually had radicals on the scene from a wide

variety of political viewpoints—Trotskyists, members of the American Workers Party, anarchists, IWW members. The Communists would have to work with a variety of other left wing tendencies in these unions, thus the new Communist slogan: the “united front from below.” Class-struggle unionism means an approach to unionism that encourages disruptive, militant collective action and a rejection of the AFL practice of seeking partnership with the employers. These are elements of revolutionary unionism, and a shared practice of the TUUL and radical-influenced independent unions. Thus the CP would also continue to support elements of rank-and-file unionism, such as elected shop delegate councils and elected rank-and-file negotiating committees.

The gains won by the working class in the '30s were not achieved through electoral politics, or by relying on paid officials of the AFL or CIO international unions. Concessions were won only because working-class self-organization and action posed a revolutionary challenge to the system. The new unionism of the early 1930s were part of this. There were thousands of strikes every year. In thousands of workplaces management autocracy was checked. Employers were forced to accept on-going organization and action in their workplaces.

This widespread working-class insurgency in the United States was part of a global working-class movement that posed a threat to the existence of capitalism—from the Russian revolution of 1917 and revolutionary situations in various countries after World War I to the general strikes and waves of plant takeovers in the US and France in 1936, and the revolution and widespread workers' seizure of capitalist industry in Spain that same year. In describing the trend of worker unionism in *Vanguard* (a libertarian socialist journal in New York City with a syndicalist orientation) in January 1936, Sam Dolgoff wrote: “The trend of the labor movement . . . is toward revolutionary unionism. This means recognition of the class struggle, militant direct action, the institution of workers democracy, the destruction of gangsterism and bureaucracy in any form.”²²

Dolgoff defines revolutionary unionism in relation to practice, a unionism based on non-reformist methods of action and organization. Unions may be reform organizations in the sense of fighting in the here and now for short-run changes or improvements, but there are different ways to fight for reforms—reformist or non-reformist ways. Relying on politicians, elections, collective bargaining controlled by paid officials and staff, pushing

grievances off the shop floor to arbitration—these are *reformist* methods of action. These would trap the working class within the present capitalist regime, restricting the level of resistance to methods that don't threaten the system. Top-down, staff-driven forms of organization discourage participation and learning from struggle by the rank and file and are liable to lead to people being sold out. Day-to-day struggles over control in the shop through actions such as slowdowns or other on-the-job resistance, production-halting strike action or occupations that shut down workplaces or government agencies, and widening the struggle through solidarity actions like general strikes—these are *non-reformist* forms of struggle that build working-class power and develop a sense of agency and confidence.

The Role of the CIO and the Popular Front

Various heads of AFL national unions also saw that these difficult years might result in a radical union movement to the left of the AFL. Dave Dubinsky of the ILGWU, Sidney Hillman of the Amalgamated Clothing Workers union, and John L. Lewis of the United Mine Workers ran their own unions in a top-down fashion and fought the radicals in their unions for years. At the 1935 AFL convention, Charles Howard of the International Typographical Union spoke for this group when he warned of the potential for a new labor movement outside the control of “responsible” trade union leaders like themselves: “Now let me say to you that the workers of this country are going to organize, and if they are not permitted to organize under the banner of the American Federation of Labor they are going to organize under some other leadership or . . . without leadership. I submit to you [this] would be a far more serious problem for our government.”²³

When these leaders broke with the AFL in late 1936, they launched the Congress of Industrial Organizations as a hierarchical organizing project. Their aim was to capture the mass worker energy of the moment and contain it within the methods and top-down scaffolding of the AFL style of unionism. We can think of the CIO as a hierarchical project that aimed to contain the level of class conflict by limiting direct struggle in the workplace and placing control into the hands of a separate layer of paid union officials.

They were helped in carrying out this program by a shift in the Communist Party's orientation in 1936. By 1935, the leaders of the Communist International in Moscow had developed a new strategy called

the Popular Front. This differed from the policy of the united front with other radical workers, which was adopted by the American Communists in late 1933 and early 1934. During that period, the American Communists still pursued their advocacy of class-struggle unionism and various methods of rank-and-file control such as elected shop delegate councils and elected rank-and-file negotiating committees. The new Popular Front orientation would lead the Communists toward a new accommodation with bureaucratic trade unionism.

The Popular Front policy called for a cross-class alliance that would embrace liberal professionals and even the “liberal” wing of the capitalist class. This shift was driven by the Soviet bureaucracy’s desire to build a military security pact with the Western democracies as protection against Nazi Germany. The Popular Front orientation would completely transform the role of the Communist Party. In the early ’30s the party militants were an important spark plug for militant direct action and self-organization among the unemployed, Black Americans, and workers, but by the late ’30s the Communists had become allies of the top CIO bureaucrats in their efforts to discourage sit-down strikes and other forms of direct militancy, and were helping to solidify a labor movement alliance with the New Deal politicians. Gone was the 1934-era CP vision of class struggle unionism or their advocacy of elected rank-and-file negotiating committees.

With twenty thousand worker members, the Communist Party was by far the largest radical group in the workplaces in that period. The Popular Front shift of the Communist Party was very important to the ability of the Hillman-Lewis group to successfully carry out their project of sucking the new unionism of the 1930s into top-down structures controlled by an AFL-style labor bureaucracy. In 1936, the Lewis machine in the United Mine Workers (UMW) union set up the Steel Workers Organizing Committee (SWOC) as an entirely top-down campaign. No elected strike or negotiating committees. SWOC was “as totalitarian as any big business,” according to Len DeCaux. The UMW treasury provided the funds, with an army of staff organizers hired for the campaign, including at least sixty Communists.²⁴

The trajectory of the bureaucratic unionism of today’s AFL-CIO-type unions can be traced back to various developments in the late 1930s and ’40s—from the dominance of Popular Front politics on the radical left, the emergence of the National Labor Relations Board, and efforts of the

National War Labor Board during World War II to the increasing bureaucratization of the labor movement after World War II. From its initial beginning and into the 1940s, the CIO was a contradictory social phenomenon. When Hillman and Lewis and other union oligarchs launched the CIO, they created new unions through top-down organizations under their control, such as SWOC and PWOC to organize the steel and meat packing industries. The two international unions created by AFL in 1935 (URW and UAW) had constitutions that centered power in the paid officials of their International Executive Boards.

Even in unions with top-down constitutions, however, a constant guerrilla war continued in the workplaces that had been centers of militancy in the 1930s. It would take some time for the bureaucratic layer in unions like UAW to consolidate their control. The UAW's early successes in 1935–37 depended on a high level of local militancy as in the sit-down strikes that forced General Motors to sign a national agreement in early 1937. For months after a sit-down strike, there would continue to be “quickie” strikes, which were usually a brief sit-down strike in a department. In that era there was a strong shop steward system and struggles in the shop were the order of the day.

The national GM strike was opposed by CIO leaders but was sparked off by a spontaneous sit-down strike at a GM plant in Cleveland on December 28, 1936. Although Communists had initially supported the sit-down strikes, John L. Lewis and Phil Murray, at head of the CIO, wanted the plant occupations brought to an end, to avoid “provoking” Democratic Party politicians. According to left-socialist participants in the Flint sit-down strike (Genora and Sol Dollinger and Kermit Johnson), the Communists used their influence to end the sit-down strikes at GM in Detroit and Atlanta. But non-Communist radicals were able to prevent this in Flint.²⁵

When the CP in the United States threw in its lot with the Lewis-Hillman project—building the CIO in a top-down way—it meant abandoning their 1934 vision of a class-struggle unionist federation with the kind of rank-and-file unionism that characterized CP rhetoric in 1933–34. By 1937 the CP was working with the Lewis-Hillman leadership to discourage the spread of sit-down strikes and to bring an end to the widespread use of “quickie” strikes.

During World War II, the Communist Party's cadre of staffers and local

officials and militants in the unions became the most ardent supporters of the “no strike” pledge. The CP opposed any struggle against speedup or harsh management practices, and advocated corporatist schemes of labor/management cooperation, such as NRA-style “industry councils.” CPers denounced strikes as “fascist-inspired.” Many rank-and-file worker activists were disgusted by the rank disloyalty to the working class shown by the CPers. The anti-radical Association of Catholic Trade Unionists (ACTU) (later key supporters of Walter Reuther’s drive for power in the UAW) were able to gain credibility in this period by supporting the war-time strike militancy. The ACTU was an anti-socialist active minority with caucuses in many local unions and many labor schools to train its militants.²⁶

Thus the CP, during the late ’30s and early ’40s, played a key role in helping to consolidate the power of the full-time bureaucratic layer in the unions. Through their opposition to militancy during the war and their twists and turns of policy—driven by Moscow—they undermined their legitimacy among workers and allowed more conservative anti-radical tendencies (such as ACTU) to pose as authentic defenders of worker interests. The CP showed that their primary loyalty was not to the American working class but to the bureaucratic class (“Communist”) regime in Russia.

During the late ’30s and early ’40s, the shop stewards helped to coordinate immediate struggles over grievances in the face of speedup and harsh supervisors. For example, 8,027 workers had joined the Fisher Body local of UAW in Lansing in 1937 after the sit-down strikes, but a year later only 1,078 were still paying dues to the UAW.²⁷ Agreements with employers in the ’30s did not have dues checkoff—where dues are taken out of your paycheck and sent to the union offices. Workers were not required to maintain membership in the union to keep their job, and union membership could be maintained only through a constant struggle in the shop over worker issues.

Local union officials had to constantly justify support for the union day to day. Even when they didn’t approve of wildcat strikes or other direct action, local officials were reluctant to condone company repression of these actions. The active militants and stewards were the people at the center of the actions. Officials feared that it would discredit the union in the eyes of the workers if they did not support the struggle in the shop. The conflict

between the struggle in the shop and the bureaucratic union structure came to a head during World War II when the country experienced full employment and this greatly strengthened the bargaining position of workers. Working people used this to mount a massive number of strikes in 1942–44—new strikes for union recognition as well as wildcat strikes against management autocracy and speedup.

Erwin Baur was a radical auto worker in Detroit and president of UAW Local 306. Speaking of these war-time wildcat strikes in an oral history interview, Baur said: “The wildcats were organized by people who knew what they were doing. They were organized by workers who had experience, stewards or ex-stewards, or by radicals who had standing.”²⁸ Toward the end of the war, the strikes became more organized, taken on by local unions. During the war, business leaders and New Deal officials worked hard to get AFL and CIO paid officials to suppress these strikes. Acting through the National War Labor Board, New Deal officials offered to grant a “union security” clause to any union that would agree to the no-strike pledge. This would mean that paying dues to the union would become a condition of keeping your job. The idea was to use the bureaucratic layer in the unions as a cop to enforce management discipline in the workplace.

An example of this thinking early in the war is this quote from liberal shipping baron Roger Lapham—a New Deal appointee to the NWLB: “Can union leaders be held accountable for labor troubles if because of the falling off in their membership, they find they control a minority rather than a majority in the plants where they are the bargaining agents? If one is realistic, it is hard to reconcile the views of those who wish to hold union leaders responsible for more stable labor relations and yet will not help them in some practical way to attain responsibility.”²⁹ In Lapham’s jargon, a “responsible” trade union leader is one who is willing to sell out the membership to impose management’s goal of labor peace. Thus the deal was to grant the full-time union officials forced union membership in exchange for top-down enforcement of the no strike pledge. Today more than 90 percent of union contracts contain a “no strike” clause, which bans strikes or other forms of direct action (such as sickouts or slowdowns) during the life of the contract. This is the legacy of the war-time no-strike pledge.

When Sam Dolgoff wrote in 1936 about the “revolutionary tendency” in worker unionism, he wasn’t wrong. It was not inevitable that the insurgency of 1933–1937—general strikes, workplace takeovers, growing

worker radicalization, building of new unions from below—would be “captured” by bureaucratic trade union officials through top-down international unions of the CIO and AFL. The politics of the activist layer in the unions was going to be crucial in charting out the eventual direction of the movement. Since the Communists were by far the largest “militant minority” in the unions in the ’30s, their political trajectory was an important factor that helped to contain the insurgency within the bounds of bureaucratic trade unionism.

Building New Unions

The existence of major workplaces without unions today means that organizing the unorganized needs to be a priority for the radical left. The huge surges of union membership during the World War I era and early 1930s illustrate how union revival is tied to the renewal of direct struggle. The rise in strikes was linked to the emergence of grassroots unions outside the inherited, bureaucratized AFL unions because the AFL bureaucracy tended to get in the way of effective struggle. The absence of unions in strategic areas of the economy today presents the possibility of building new worker-controlled unions—independent of the bureaucratized AFL-CIO-type unions.

There is a long-standing idea of how unions can be built as worker-controlled organizations. This is the concept of “self-managed unionism,” developed by the syndicalists of the pre-World War II era. This wasn’t a frozen doctrine at the time but an evolving practical approach to building a direct form of working-class power. As updated for our present situation, this approach would have several features.

Member control of a union starts with the way unions are organized. Through conversations with coworkers we find out what is important to people, and find people who can come together as an organizing committee. As an initial group are gaining participation of coworkers, persuading them to join the cause, this requires getting people to act together, in union. This can mean encouraging small scale forms of direct resistance, building the union based on active participation of workers in the shop, not just passive voting for a distant bargaining agent through a National Labor Relations Board (NLRB) election. Decisions are made by the organizing group, not outside paid organizers.

Building the resistance to management in the shop is important because it puts control in the hands of the workers themselves. Advocates for self-

managed unionism are opposed to no-strike clauses, stepped grievance systems, and management rights clauses in contracts because these get in the way of building the struggle in the shop against management power. An important type of on-going organization for the struggle in the shop is an elected delegates council. Unlike appointed shop stewards, election creates accountability to the rank and file (assuming this is not just a pro-forma election of the local supporters of a union political machine). The elected delegates can act to collectivize grievances and mobilize and coordinate the struggle in the shop.

A core part of rank-and-file self-management of a union is face-to-face assemblies of the members. Union assemblies are the place where we, the members, call the shots. This comes into play in a variety of ways, such as the meetings where workers discuss the union's direction and agenda, decide on and control strikes, elect rank-and-file negotiating committees, or discuss and vote on proposed settlements to strikes. I don't mean committees that are mere sounding boards for officials in negotiations, but committees to do the negotiation of a settlement to a struggle. When paid officials of top-down American unions control negotiations, they often prefer to keep the members in the dark. Member control over negotiations also means direct feedback—keeping the members informed about what is going on in negotiations.

The direct deliberation and democratic decision making by workers in assemblies is indispensable to self-managed unionism because unions are likely to be more effective to the extent they are controlled by the workers who are affected. The development of worker participation in direct struggle is central to self-managed unionism because strikes and shopfloor actions are worker centered and crucial to building worker power.

To be effective, a strike needs to bring the operation to a halt. An effective strike cuts off the flow of profits to the employer . . . or shuts down the operation of a public agency. If a "strike" consists of people picketing in front of a store while the cash registers go on ringing up sales, it's more of a PR action that doesn't do much to build worker power. To the extent that workers organize strikes and other worker actions and control the struggle against the employer, it is a form of worker *counter-power*. Counter-power means that people are organized *independently* in a struggle against those who hold institutional power over them.

Self-managed unionism needs to be able to take on coordinated actions

and solidarity among large groups of workers—such as in a city-wide or industry-wide strike, or action throughout a corporate chain. Coordinated action on a larger scale creates greater worker counter-power. The need for coordinated action among larger groups of workers has often been an argument for centering control of unions in a paid professional layer outside the workplace. For self-managed unionism, delegate democracy provides a different answer. Meetings of delegates elected by the worker groups at different facilities can be a way to organize solidarity and campaigns among workers throughout a company or industry, or a major struggle in a city such as a city-wide general strike.

Another aspect to rank-and-file control over a union is control of the union's administration—maintaining the union and carrying out tasks the members want the union to do. Rather than the “strong leader” model, the self-managed union model proposes tactics such as term limits, or limiting pay for officials to what one made on one's last job for an employer.

I'm not saying that building new worker-controlled unions in strategic sectors is going to be easy. The employers have evolved various tactics to keep a union-free workplace. For example, the United Electrical Workers union (UE) has found that as many as 70 percent of workers in warehouses they've been working to organize in the Chicago suburbs are temps. In one of these counties it's hard to find a job other than through temp agencies. In South Carolina, more than half the workers at BMW's huge factory are temps. This creates a divided status among workers and a roadblock for NLRB elections. The approach being used by UE is to build an in-shop union even if only an on-going minority union. Workers can act as a union without going the NLRB election route. Eventually workers will have to develop the unity and organization to smash the employers' temp labor regime.

The ability to develop and sustain self-managed unions depends on the commitment and organizing abilities of workers who are prepared to do the organizing and keep the organizations going. These kinds of skills can be learned. Sharing of skills—and learning about the system we're fighting—needs to be an organized effort. People can work at this either through one-off workshops or through on-going participation in grassroots popular education programs. A union—or other organization—might have its own “worker school” to develop organizing ability and share skills among the members. A more effective grassroots unionism is possible if more working

people have the skills and confidence to act as organizers and can participate in the running of their own union. This is why many syndicalists have stressed that the worker should be both organizer and activist.

If a group of independent unions were to emerge in a particular city or region, they could join to create a federative organization where workers from the different sectors and occupations could come together to discuss and share their concerns and situations—a form of local class unionism.

The Spanish syndicalist unions of the 1930s CNT were a case where the self-managed union approach had been developed extensively over a period of years. The Spanish movement worked to develop working people as activists and organizers.

In the USA at present, organizations such as the IWW conduct one-off organizer training workshops and the IWW has annual sessions at Work People's College. *Labor Notes* also puts on one-off “troublemaker schools” which provide workshops with useful examples, and their magazine and books provide useful information for organizing.

Can self-managed unionism be sustained over time? Some have argued that the eventual centering of control in a paid apparatus separate from control by the ranks is “inevitable.” But history does provide examples of self-managed union organizations that maintained this character over a period of decades. The Spanish CNT is a major example. The union was founded in 1910 through the merger of a number of independent unions in Spain. After decades of development the union was still a highly worker-controlled organization in the mid-1930s. A key factor in this was the large militant minority of workers who were committed to worker control of the struggle. Many were libertarian socialists who were committed to the self-emancipation of the working class and the goal of self-managed socialism. In their view, if working people are to be an active factor in their own advancement and liberation, then it required organizations and struggles they control. This highlights the way that the fate of a union depends on the commitments and politics of the active members of the organization.

A successful movement for new self-managed unions needs to occur organically. Parachuting in an organizer who has no long-term background in a workplace or industry is iffy at best. If we look back to the two major episodes of new unionism in the United States that I described earlier, there were thousands of workers in workplaces who had been there for years and

often had some kind of developed radical politics, often had relevant past experiences in organizing, and had developed connections with their coworkers from their long presence in the industry. This is the “militant minority,” as syndicalists call it. In particular, many of these active workers despised the AFL, had some understanding of class-struggle unionism, and were favorable to building new worker-controlled unions. Thus the rebuilding of this kind of active worker layer is going to be important to rebuilding unionism in practice.

Worker control of unions is important because the bureaucratic layer tends to form a roadblock to advancing the struggle, and because worker participation in struggle is crucial to the process of change in class consciousness. Rebuilding worker-controlled unions, production-halting strike action, and a process of growing cross-sector solidarity between the various segments of the oppressed majority are crucial to the process of class formation—the more or less protracted process through which the working class overcomes fatalism and internal divisions (along lines of race and gender for example), gains political insights, and builds the confidence, aspirations, and organizational strength needed to pose an effective challenge to the dominating classes.

When workers develop power through disruptive collective action, it encourages the sense that “we can change the society.” To the extent that workers control their own struggles and organizations, confidence and skills are developed among the rank and file. Control of unions by the paid officials and staff doesn’t do this. Self-managed worker organizations provide a bridge where radicals can connect the grievances of their coworkers to the more ambitious agenda for change that socialists offer. Developing stronger class-wide solidarity is important to the process of building a force for social transformation because the working class needs to gather its forces from the various sectors of struggle to form a united social bloc with both the power and aspiration for change. In this way the working class makes itself into a force that can change the society.

Independent Rank-and-File Organization

But what about the millions of workers in the AFL-CIO-type unions? Although I’ve built a case for building new self-managed unions outside the bureaucratized AFL-CIO-type unions, many workers are members of these sorts of unions and rely on them for resistance to the employers’ power. If we are to have an overall strategy for how militant action and an effective

worker unionism is to be rebuilt, we also need to have a strategy for the situation of workers in these unions. What we need, then, is an “inside/outside” strategy—building worker organization independent of the paid bureaucratic layer of the AFL-CIO-type unions, but both “inside” and “outside” the framework of those unions.

Looking at it from the perspective of libertarian socialists with a syndicalist orientation, the goal is to build greater control by workers over the struggles with the employers and a higher level of participation in these struggles. “Class struggle unionism” is the idea that there is a fundamental conflict of interest between workers and the dominating classes—the owners and managers. We thus reject the orientation of union leaders to attain union “partnership with management.” We can start by focusing on the need to build the struggle at the level of the workplace—the day-to-day struggle over the power that management exercises over us. This is why syndicalists propose to build rank-and-file workplace committees that are *independent* of the paid bureaucratic layer that controls the unions at the top. This independence is necessary because the paid bureaucratic layer in the unions tends to work to restrict the level of struggle and rank-and-file participation and acts as a barrier to building of worker capacity for challenging the system.

An independent worker group or committee can focus on various issues that come up, and try to encourage direct worker resistance—such as a collective refusal of overtime or stopping work and confronting management over issues such as racial or sexual harassment or an unjust firing. When individuals speak up or encourage resistance, the paid officials of the local union may try to co-opt them in some way—appoint them to some toothless committee, or get them to be an appointed shop steward. In a large UFCW supermarket local in my area, a person who is appointed to the shop steward position also participates in meetings that are a sounding board for the leaders in negotiations, and they are paid for their time. So it’s a perk, and a way to build the political machine of the local’s president. In some unions, such as the UAW, there is a long history of the dominant political machine offering staff jobs to get effective militants out of the shop. When I say the goal is an independent committee, I mean we need to be firm and not get sucked into being a part of the staff or the political machine of the union leaders.

In many local unions, the officials and their supporters are often only a

thin active minority among a largely uninvolved membership. Often the union meetings consists of just this minority in the union. Thus there is room for an independent association to emerge and form a competing active minority in that workplace—parallel to the bureaucratic machine. Large participation in that union may occur only occasionally when major issues come up such as a meeting to vote on a contract, or to discuss a possible strike action. These large meetings are mass events where the officials are only one factor. An independent, active minority is needed to participate in these events, speak up, or distribute leaflets. They can try to forge an alternative approach or a different take on events from the union leadership through a newsletter or blog.

An independent worker association of this sort can act as a counter to what the union leadership is doing and mobilize members against sellouts. An example of an independent worker group playing this role is offered by Railroad Workers United (RWU). When the leaders of the United Transportation Union (now part of SMART) negotiated a deal with the BNSF railway that would agree to a one-person crew on long-distance trains, RWU mobilized five thousand members of UTU to vote “no” on this contract, which would have stabbed the members of the Brotherhood of Locomotive Engineers in the back. The railway’s idea was to have brakemen or conductors use automation technology to run engines, as is already done in some yard-switching operations.

An independent worker committee can also support some reforms of the local union by-laws or constitution that might enhance the ability of the ranks to mount a more effective struggle—such as an elected shop steward council, term limits for official positions, or taking over negotiations through an elected rank-and-file negotiating committee. Of course, in some unions with elected stewards, they may function just as a part of the political machine of the top leaders, but this is not assured. An elected stewards council might help in mobilizing and coordinating the effort to build active resistance in the shop—even if the union contract has a stepped grievance system designed to take issues off the floor and out of workers’ hands. The independent rank-and-file committee can work to build actions in the workplace despite the goal of the stepped grievance scheme of minimizing disruptions to production.

“The Rank and File Strategy”

There is a union reform strategy that has quite a bit of support these

days—the strategy laid out in Kim Moody’s pamphlet *The Rank and File Strategy*. It has some similarities to the proposal I laid out above, but also significant differences, as we’ll see. Moody’s strategy has its origin in the approach adopted by the Communists in the 1920s, via the Trade Union Educational League (TUEL). Moody refers to the TUEL as “the first experiment in the rank-and-file strategy.”

William Z. Foster’s approach would gain the support of the communist movement in the early twenties and became the basis for the TUEL—the Communist Party’s main labor initiative of that era. Foster’s approach has had an enduring influence on American Leninism down to the present day.

During the World War I era, Foster believed that trade unionism—no matter what the structure or ideology—was inherently revolutionary:

By a process native to all trade unions, the latter would go on building up greater and greater labor combinations and strikes until finally they would find themselves dominant in society by virtue of their ever-expanding and invincible power. And then . . . once they felt themselves masters of the situation in a general strike they would inevitably proceed to expropriate the capitalists and take command of society. . . . The basic policy of trade unions, whether “radical” or “conservative” in outlook, is always to make demands according to their strength. . . . All this constituted a theory of the spontaneously revolutionary character of trade unionism as such.³⁰

This view is at odds with the “two souls of unionism” thesis that I have been defending in this chapter. On the “two souls” view, the emergence of a bureaucratic control layer, based on paid officials outside the workplace—and routine practices of bargaining “no strike” contracts with employers—tends to create an institutional dynamic that works to restrain the depth of class conflict and keeps the working class captive to the capitalist exploitation regime. The revolutionary potential of worker struggles lies in the periodic re-emergence of organization and struggle controlled from below and the spread of horizontal solidarity.

By the World War I era, a large majority of syndicalists had come to this understanding of the problem posed by the bureaucratic layer, and thus syndicalists had developed a whole series of tactics to try to ensure worker self-management of unions and struggles. Thus we can see that Foster’s view was at odds with the general tendency in the revolutionary syndicalist movement.

When the bureaucrats at the head of the powerful Triple Alliance of British railway, longshore, and coal-mining unions capitulated to the British government in the early '20s, it was one of a number of events that led Foster to reject the thesis of the inherent revolutionary character of unionism. His new analysis looked at the conservative ideology of the leaders as the key roadblock. With his new viewpoint, the key requirement for the revolutionary character of unionism was not the self-management of the unions by the rank and file, but the role of “the organized revolutionary vanguard . . . the Communist Party.”³¹

This approach is based on a mistaken theory. The basic problem with AFL-CIO-type unions isn't explained away as bad leaders or leaders with the wrong ideas—even though that is often true. The problem is more systemic.

The role of militant minorities in unions had been a common theme of anarchists, syndicalists, and other labor radicals in the early 1900s. However, syndicalists did not see the role of the militant minority as a substitute for the rank and file but as a group who would help to build the worker democracy that allows the rank and file to control the union. Foster's view was different. Foster believed that a “small number” of “live wires” among a passive herd were the “brains” of the labor movement. Thus Foster's strategy for the labor movement was to get the vanguard into a position of control. The strong emphasis on the control of the top positions was echoed by Foster's associate Earl Browder: “As for the TUEL, Browder believed that a compact, well-educated Communist minority in the great mass organizations, united upon a clear program of practical action, can obtain the strategic positions of power in organized labor.” It was a curiously “managerial” proposition, couched in the phraseology of non-ideological manipulation, control, and administration of workers.³² Moody acknowledges Foster's elitism:

[Foster] had a certain elitist view of this work as well as a tendency to maintain personal control of the operation. In 1922, he wrote that most rank and file workers were “ignorant and sluggish.” In 1924, he told the socialist Scott Nearing, “Revolutions are not brought about by the sort of far-sighted revolutionaries you have in mind, but by stupid masses . . . goaded to desperate revolt by the pressure of social conditions . . . led by straight-thinking revolutionaries who are able to direct the storm intelligently against capitalism.”³³

In the early '20s, Foster worked to organize the militant minority into the Trade Union Educational League—creating local leagues that could try to contest for leadership of the unions. With the TUEL program calling for “defense of Soviet Russia” and replacing capitalism with a “worker’s republic,” TUEL’s tie to the Communist Party was pretty clear. Communist Party policy at that time was focused heavily on building workplace cells that would enable party militants to act as a block. The Leninist advocacy of centralization and strong leadership meant the CP had no principled reason to reject the top-down structure of the AFL unions. Thus, Foster’s strategy of going for power in the unions was based on a mistaken theory: that the problem of the unions was the “bad ideology” of the leaders.

In trying to sell his ideas to the Communists, Foster was aided by the publication of Lenin’s *Left-Wing Communism: An Infantile Disorder*. Foster writes in his memoir: “It so occurred during the early days of the TUEL I happened upon Lenin’s famous pamphlet, ‘Left-Wing Communism: An Infantile Disorder.’ Here, to my great joy and amazement, I found revolutionary dual unionism condemned and the boring-from-within policy endorsed . . . more clearly and forcefully than we had ever endorsed it.”³⁴

Lenin’s pamphlet had a major effect on left-wing thinking because of the prestige of Lenin and the Russian revolution. When the Red International of Labor Unions (under control of the Communist International) was formed in 1921, they came down in favor of dissolution of the IWW into the AFL: “The members of the IWW should join their respective trade unions and spread their propaganda among them, explaining the working-class problems. The longer they keep themselves aloof from the AFL, the greater will be the sufferings and the harder will be the process of advancement of the unorganized workers.”³⁵ Given Foster’s hostility to the new unionism of the World War I era, he had to come up with a different solution for the ineffective craft union divisions in the American labor movement. The TUEL’s solution was to propose “amalgamation” of craft unions to form industrial unions. The TUEL’s strategy for “organizing the unorganized” was to use these amalgamated industrial unions to carry out this task, a completely unworkable solution. The campaigns for amalgamation by the TUEL throughout the 1920s were a complete failure.

In the '20s the TUEL would play a particularly important role in two

large AFL industrial unions: the International Ladies Garment Workers union and the United Mine Workers union. In the United Mine Workers union, Communists and syndicalists ran up against expulsions and union dictatorship. John L. Lewis controlled the locals and districts of the union through his power to revoke charters, and to revoke them for as long as he liked. Paid organizers were appointed from above. The Lewis machine exercised tight control over conventions. Lewis controlled the credentials committee and the committees that proposed agenda items. As presiding officer, Lewis “recognized only those whom he wished to speak, closed the debate when he wished, had objectors forcibly thrown out, and in general disregarded the desires of protesting delegates, no matter how many.”²⁶ At the 1923 convention, Lewis got a rule passed to expel Communists and IWW members. Despite expulsions of TUEL supporters and other opponents, rank-and-file miner rebellion against the Lewis autocracy continued to grow during the 1920s.

After a “union free environment” was imposed by employers in coal mining in western Pennsylvania, Ohio, and northern West Virginia by 1927, United Mine Workers membership was down to only 150,000. Meanwhile, opposition to the John L. Lewis autocracy in the UMWA led to a variety of new coal miner unions being built in 1927 and increased labor militancy, including a successful IWW coal-miners’ strike in Colorado. Delegates representing a hundred thousand coal miners attended a conference to build a new union to replace the UMWA, but the TUEL used its large contingent to sabotage this movement, because the CP was opposed to dual unionism.

With the Communists stymied in their fight for control over the AFL unions and thousands of workers expelled, many Communist militants began to question the CP’s opposition to building new unions. At this point, Moscow intervened in the debate against William Z. Foster. RILU sent a letter criticizing the Communists for “making a fetish” of “boring from within” the AFL and for neglecting the potential of independent unionism.²⁷ By 1928, Communists began to focus more on building new industrial unions. The TUEL gradually became the Trade Union Unity League—a group of Communist-organized unions. The TUUL’s commitment to various Communist Party campaigns and positions meant the TUUL was closely identified with the Communist Party. The Leninist doctrine of party hegemony had been clear in the party’s control of TUEL

and continued with the TUUL. This is a part of Foster's perspective that Moody rejects.

Ever since the Popular Front era of the late 1930s, Foster's fixation on boring from within the inherited bureaucratic unions of the AFL-CIO type has been largely unchallenged among both Leninists and democratic socialists. Thus Democratic Socialists of America recently endorsed the rank-and-file strategy.³⁸

The Communist International had given marching orders to its industrial base: "Conquer the unions!" And Foster's strategy was to do just that—by using the TUEL movement to capture leadership of the AFL unions. Nowadays, advocates for the rank-and-file strategy do advocate "going for power," as they call it; that is, building union caucuses to gain control of the union apparatus through elections.

If a militant is elected as president of a local union, they may favor a more combative stance toward management at first, but they will also find that they are embedded in a whole "system" with pressures and limits. They face a contract with no-strike clauses and stepped grievance systems that remove fights from the shopfloor. They also face the "international union" constitution and the power of the International Executive Board—such as its power to trustee local unions and toss out elected leaders if they view the local leadership as endangering the position of the union bureaucracy. Over the past four decades, there have been various cases of local union officers tossed out when they pursue a stance too militant for the national union leaders—from the case of UFCW P-9 in the 1980s, to the leaders of SEIU United Healthcare Workers West in more recent years. There may be a weak day-to-day presence in workplaces of that union—rotted out by years of transferring complaints up the ladder via the stepped grievance system. And workers may look to the union as a service agency that does things for them. Weak worker participation and weak shop organization means less of a sense of power among workers.

Kim Moody is aware of this problem. As he says, "the new leaders" will "confront the same problems, pressures and enemies as those they threw out." The new leaders "will fail," he tells us, if they "do not democratize the union, change its approach to collective bargaining, activate the members as much as possible, educate the members, develop broader alliances, and . . . improve workplace and stewards' organization—that is, enhance the self-organization of the workers themselves."³⁹

So far, so good. Local unions are a setting where workers can participate and may be able to use the union's democracy to make changes—including a change in who fills the top positions. At times, rank-and-file insurgent movements have taken over local unions and adopted a more combative and participatory stance. But what is the endgame? Local unions are legally just administrative agencies of the International Executive Board, which can simply toss out elected local officers and appoint dictators to take over the union. This is the AFL tradition and it is how the courts have ruled. The international unions are the realm of the top bureaucracy of the union, and the only chance for rank-and-file participation is in the infrequent conventions. In practice, conventions are often controlled by the paid leaders and staff—including the various fiefdoms that run local unions. I think there is virtually zero chance that national unions like UAW, SEIU, or UFCW will ever be transformed into self-managed, combative organizations.

Even when the unions are reasonably democratic, they are structured top-down, as a form of democratic centralism, which means that power is concentrated in the paid officers, who run the organization. Even if the delegates at an international union convention are elected rank-and-file delegates, the International Executive Board is empowered to actually run the union between the infrequent conventions. Democratic centralist structures tend to empower the paid bureaucratic layer in the unions. There is a similar problem with the so-called electoral “democracy” of capitalist states. After the posters are cleaned off the walls, the election is over, and politicians are in government office, citizens really have no way to control what they do. And this often leads to a disconnect between their decisions and what the working-class majority in society would prefer. A problem of this sort also exists with democratic centralism in both union and political party organizations; both Leninists and social democrats historically have favored democratic centralism in unions and political parties.

The problem with the rank-and-file strategy is its commitment to an internal reform strategy that doesn't really challenge this centralist character of the inherited AFL-CIO-type unions. Before World War I, the democratic centralist structure of the social-democratic European trade unions had already built up a bureaucratic layer that preferred to limit the degree of conflict with the powers-that-be. So it was no surprise when they fell into line behind their various governments' mobilizations for war.

Concentrating control in paid bureaucracies at the top creates a separation of life-circumstances between the paid officials and staff and the rank-and-file workers who stay on the job. The officials come to be focused on the safety and survival of the institution they are managing. There is no reason to think that this reformist approach to unionism will have a different result going forward if there is a change in leaders. The problem with that form of unionism is structural. The commitment to the democratic centralism of AFL-CIO-type unions makes the rank-and-file strategy internally inconsistent.

The syndicalist alternative is to build unions that do not put power in a national executive board to manage the union hierarchically. Rather, the idea is for the local unions and city-wide federations of local unions to have a horizontal relationship to the other local unions and local federations in other cities and regions.

Of course, there are no guarantees that a self-managed union structure will avoid degeneration or conservative tendencies in the future. Power grabs by opportunists remain a possibility. To the extent workers see the struggle as a fight over fundamental change in the society, they will be motivated to participate and commit. Thus the aspirations, class consciousness, and commitment of the workers are important to preserving the combative and self-managed character of the union.

Even if workers in the coming years build a new set of self-managed worker unions and bring these together into a new federation apart from the bureaucratized AFL-CIO-type unions, the conflict between the two “souls” of unionism will continue. Unionism is a contradictory social phenomenon. In the decades since World War II, the dominating classes have pursued a strategy toward the labor movement that allows a voice for workers and unions as long as they stay within certain tight legal limits—a legal cage—which allows them to exist but uses legal tactics that encourages concentration of control in “responsible” officials who will work to keep class struggle within certain limits. This differs from elite strategies before World War II in a number of countries, which simply tried to crush the unions. Even if class formation advances and the society moves toward some revolutionary crisis, there is likely to still be a conflict between the rank-and-file-driven rebel soul of unionism and the conservative, system-respecting tendencies of the bureaucratic soul.

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Chapter Ten: Against Leninism

A major influence on radical thinking since the Russian revolution is the form of radical politics called *Leninism*. The name derives from the central role of the Bolshevik leader V.I. Lenin in shaping the direction of the Bolsheviks in the revolution. The political legacy of Leninism is directly at odds with syndicalism, as we'll see. But what is Leninism? To understand it, we need to look at the Russian revolutionary process that began in 1917 and the Bolshevik seizure of state power. Leninism came to be defined by the actual *practice* of Lenin and the Bolsheviks in that revolution.

Lenin and other leading figures in the Bolshevik party were highly influenced by the kind of Marxism that had been dominant in the European electoral socialist or social-democratic parties before World War I. In that era, Karl Kautsky was the premier Marxist theorist. (We've already encountered Kautsky's rather statist conception of social transformation in chapter eight.) Lenin—and many other Bolsheviks—were followers of the Kautskyian interpretation of Marxism prior to World War I.¹ What was distinctive about Lenin, however, was the particular *practice* or political direction he inspired during the course of the Russian revolution.

Leninists usually claim that the Bolshevik party's seizure of state power was “the first successful worker's revolution.” In reality, the working class and peasantry did not gain power in the Russian revolution. The revolutionary process created a new form of society based on class oppression—a system based on ruling power held in the state and production by a bureaucratic control class. Members of the ruling class held a kind of shared power through their collective monopoly over the party and state. At the time of the revolution, however, the Bolshevik party's claims of “working-class rule” had a major impact on the thinking of militants in the labor and radical movements around the world during the 1920s and '30s.

The Bolshevik leadership in Russia sought to bring radicals in other countries under their leadership as part of their strategy to defend the Russian revolution and extend the revolution to other countries. Through

the creation of the Communist International as an organizing center, a new movement based on Leninist politics was created under the “communist” label. Formed out of the crucible of the Russian revolution, I think we can identify three elements of the Leninist program:

- *An economic model based on centralized state planning and subordination of workers to corporate-style managerialist bureaucracies in the workplaces.* And, thus, a bitter opposition to the syndicalist program of collective worker self-management of industry.

- *The doctrine of party hegemony or “the dictatorship of the party.”* The dominant Bolshevik leadership lacked a real commitment to the type of multi-tendencied council democracy favored by other radical left tendencies in the revolution. But multi-tendencied democracy of assemblies and elected worker delegates—with freedom to organize and to debate and decide—is essential for actual working-class power. A fair reading of *Russia in Revolution* by S. A. Smith shows that, throughout the period from 1918 to 1921, Bolshevik practice exhibited a rather ruthless drive for a monopoly of power for their party.²

- *“A party of a new type.”* Instead of the reformist western European “mass” electoral parties, the Leninist model is based on the “militant minority” or “vanguard” who were active and leading elements in struggles.

The first two elements of Leninism are completely at odds with the thinking of syndicalists and other libertarian socialists. Thus, to understand the nature of the conflict between syndicalism and the Leninist politics of the emergent “communist movement,” we need to look at the Russian revolution, and the syndicalist criticisms of the emerging bureaucratic class regime in Russia.

Worker Councils in the Russian Revolution

Syndicalists were enthusiastic supporters of the Russian revolution at first, due to early reports. Supporters of the Bolsheviks will say that the working class “gained power” in October 1917 through “workers councils.” Syndicalists tended to see the talk of power being based on “workers councils” in Russia as a vindication of their own viewpoint. Lenin’s 1917 pamphlet *The State and Revolution* advocated the dismantling or destruction of the old state machine in the revolution—breaking the power of the bureaucracy and the military brass and so on. This was also in keeping with syndicalist views about the process of transition to socialism.

Did workers actually “take power through worker councils” in Russia? Here we need to look at the role of council democracy in the 1917 revolution. In western Europe, in the World War I era, there was a widespread movement for militant, grassroots shop steward or delegate councils in workplaces. This tendency arose partly as a reaction to the growing problem of union control being in the hands of paid officials who were engaged in “collective bargaining.” Militants on the shop floor built a kind of grassroots unionism based on unpaid workplace delegates or stewards. The delegate councils were used to build a more direct and effective struggle against management power. Syndicalists were actively involved in building this movement in countries such as Britain, Germany, and Italy. The nearest equivalent to these western European shop delegate councils in the Russian revolution were the various factory committees. As in western Europe, this movement in the Petrograd area developed independently of the trade unions—and independently of the soviets.

On May 30, there was a major meeting of over four hundred representatives of the factory committees in the Petrograd area. In a report on that meeting, the factory committees were described as “fighting organizations, elected on the basis of the widest democracy and with collective leadership.”³ By October 1917, more than two-thirds of enterprises with two hundred or more employees had factory committees. Through struggle, the factory committees were able to impose policies such as the eight-hour day and a veto on hiring and firing, to prevent hiring of scabs. They took over tasks such as securing food supplies. Nonetheless, as of October, about three-quarters of factories in Russia did not yet have factory committees.⁴

The Russian syndicalists were strong supporters of the factory committee movement. The syndicalists in Russia worked through an ideologically specific organization called the Confederation of Russian Anarcho-Syndicalists (KRAS). This was not a union. The syndicalist militants were active in factory committees, in building new syndicalist style unions (for example among the Donbass-region coal miners), and in working within various branches of the Russian trade unions (such as the railway, bakers, and metal worker unions), and in soviets.

The label “anarcho-syndicalism” was actually coined in Russia at the time of the 1905–06 revolution, but wasn’t common outside Russia until the 1920s. The term was used by the Russian syndicalists to differentiate

themselves from the groups called “anarcho-communist.” The anarcho-communists in Russia often advocated a kind of insurrectionary anarchism based on the idea of “propaganda by the deed.” In 1917–18 this typically involved small group “expropriations” of houses, automobiles, and so on. The idea was to encourage the masses to spontaneously rise up and follow the example of the insurrectos. As Emma Goldman reported from her investigations in Russia, some of the advocates of “expropriation” were engaged in “shady pursuits” for personal advantage, using “anarchism” as their political cover.⁵ When some of these expropriators stole the automobile of the American representative of the Red Cross in April 1918, it was used as a pretext by the Bolsheviks for suppression of the Moscow anarchist federation and its armed Black Guard organization. Syndicalists opposed these small-group expropriation tactics. According to G. P. Maximov, secretary of KRAS, these seizures “belonged to the outmoded and discredited school of banditry and terrorism.”⁶

But the most important type of council democracy in the Russian revolution were the *soviets*. The word *soviet* in Russian means council. The key city-wide soviet in the Russian revolution was formed in late February 1917, in Saint Petersburg (Petrograd), during the tumultuous events that led to the collapse of the tsarist despotism.

A group of radical and liberal intellectuals formed the soviet top-down when they constituted themselves as the “Executive Committee.” They then put out a call for election of delegates from workplaces and military garrisons throughout the city. Party leaders—usually from the middle-class intelligentsia—were sometimes elected as representatives from some factory even though they didn’t work there. The soviet was highly centralized with power concentrated initially in the executive committee and later encapsulated in an even smaller group—the Presidium. The Moscow soviet was organized in a similar way. The tendency was for the assemblies of delegates to be just a place for speeches and a rubber stamp for decisions made by the executive committee. Very often decisions of the executive committee were not even submitted to the plenary for approval.⁷

As time went on, more of the rank and file of local military units started sending delegates to the Petrograd soviet—and to similar soviets formed in other cities. Eventually, a third of the delegates to the Petrograd soviet represented military units. In fact, the tsar’s abdication at the time of the February revolution was forced by the mutiny of the military garrisons in

Petrograd. When the tsar gave up power, the military high command in Russia handed government power to a group of liberal and social democratic politicians from the Duma (national legislature). This was the “Provisional government.” Because most of the rank and file of the Russian army and navy were loyal to the soviets, the soviets had the potential for overthrowing the Provisional government and assuming power themselves. This was what Lenin was referring to when he described the soviets as a form of “dual power.”

In March, the War Minister explained the reality to the Commander in Chief in these words: “The Provisional Government does not possess any real power; and its directives are carried out only to the extent that it is permitted by the Soviet of Workers’ and Soldiers’ Deputies, which enjoys all the essential elements of real power, since the troops, the railroads, the post and telegraph are all in its hands. One can say flatly that the Provisional Government exists only so long as it is permitted to exist.”⁸

The moderate socialists were initially the dominant influence in the Petrograd soviet and in many others. These were the Mensheviks, the Popular Socialist Party, and the Socialist Revolutionary Party (SRs). Prior to World War I, the Mensheviks and Bolsheviks had both been factions in the Russian Social-Democratic Labor Party—a Marxist party with similar theoretical influences to the western European socialist parties. The small Popular Socialist Party were also known as laborites (*trudoviks*) and were the party of Alexander Kerensky—last head of the Provisional government. The SRs were the largest political party in 1917, but were very amorphous and internally divided in their politics. The party organized both workers and peasants and was influenced by both Marxist and non-Marxist forms of socialism.

Much of the leadership of the moderate socialist parties was drawn from the middle layers of Russian society. Some were professionals employed by the local governments or *zemstvos* (as doctors, teachers, agronomists). At the time of the February revolution, the moderate socialists were opposed to the soviets taking power. They viewed the Provisional Government as a kind of holding action until a Constituent Assembly could be elected to create a new governmental charter for Russia.

At the time of the February revolution, there were about seven hundred soviets but new soviets were formed during the course of the year. By the Second Soviet Congress, in October 1917, there were 1,429 soviets, about

half of which had both worker and soldier delegates (“deputies”). There were also 235 soviets with worker, soldier, and peasant deputies, and 455 rural peasant soviets. There were also thirty-three soviets that were purely based on military personnel. In Petrograd, there were district soviets as well as the main city-wide soviet.²

Not all soviets were set up in the top-down fashion of the Petrograd city soviet. Nor did all soviets have the plenary of delegates converted into a mere rubber stamp. Some soviets were built in a more grassroots fashion, and the plenaries were meetings for debate and decision making. A good example of this more grassroots soviet is the key soviet created in early March 1917 at Kronstadt, located on an island west of Petrograd. Kronstadt was the home base of the Russian navy’s Baltic fleet. At Kronstadt, the rank-and-file delegates were firmly in control. The deliberation in the plenaries was real, as this was where the real decisions were made. The executive committee made sure decisions were carried out but power was not centered there. The Kronstadt soviet was not created by members of the moderate socialist intelligentsia, unlike the Petrograd soviet. Moreover, the Kronstadt soviet never accepted the legitimacy of the “Provisional government.”

The Kronstadt soviet was grounded in a system of assemblies in all the workplaces and military units and warships in Kronstadt. The assemblies met weekly and elected their own administrative committees. Workplace assemblies also directly managed their work—the running of the drydock, a sawmill, the island’s electric power plant, factories making torpedoes and dive equipment, and so on. Unlike in Petrograd, there was no split between a shop committee movement and the soviet. Although they controlled their own work, the assemblies had to adhere to the rules decided by the soviet. But the assemblies also followed debates in the soviet and controlled their delegates, who were kept on a tight leash—they were elected for only three-month terms. The debates were reported in the *Izvestia* paper of the soviet, and thus the ranks could bird-dog the positions taken by their deputies. As Israel Getzler describes it: “Hundreds of quite ordinary, but literate, Kronstadters turned into Soviet deputies, commissioners and committee men, patiently and religiously attending the twice-weekly regular and very numerous extraordinary sessions and meetings, learning to speak in public, to move amendments, to vote, govern and run their complex military and civilian establishments.”¹⁰

The grassroots democracy in Kronstadt was protected by the political dominance of an alliance of two libertarian socialist tendencies: the Union of Socialist Revolutionaries-Maximalist (called “maximalists”) and the syndicalists. Although the syndicalist/maximalist alliance was not a full majority of the delegates in the Kronstadt soviet, they were usually able to get their proposals passed because the Left SRs tended to support them.

The maximalists and syndicalists generally worked together in an alliance in the Russian revolution. For example, both had delegates on the Revolutionary Council (government) of the revolutionary region in eastern Ukraine that organized the partisan army headed by Nestor Makhno. The SR Maximalists advocated the reorganizing of governance in Russia into a federation of worker and peasant soviets. They referred to this as a “Toiler’s Republic.” The central coordination would be provided by a central Soviet where all the delegates would be directly elected and revocable (subject to recall). Thus the actual legislative body created in the October revolution—the Central Executive Committee (CEC) of the Soviet Congress—did not have enough accountability for their liking. The actual state power after October was held by the Council of People’s Commissars (*Sovnarkom*).

The maximalists were greatly impressed by the revolutionary syndicalist movement in western Europe, “not cramped by party slogans.” The radical syndicalist unions were, in the eyes of the maximalists, not merely organs of class struggle but were working toward “the collectivist society of the future.” Thus the maximalists generally agreed with the syndicalists about worker collective management of the workplaces as a central element of a socialist future. The maximalists also believed it was possible to have a distinct, ideologically defined organization that could complement the worker mass organizations. And the syndicalists agreed with the maximalist ideas about grassroots, bottom-up soviets. Thus the syndicalist/maximalist alliance was based on a natural political affinity.¹¹

The October Transfer of Power

Two series of events that unfolded during the last half of 1917 would have the effect of radicalizing the two large groups that formed the mass base of the SR party—the peasantry and the rank-and-file soldiers. The peasantry were especially important to the fate of the revolution since they were more than three-quarters of the population. As Sheila Fitzpatrick argues in *The Russian Revolution*, the peasantry were in fact a revolutionary class; they had only been liberated from a slave-like condition in the 1860s.

The typical view about land tenure of the Russian peasantry was based on the idea of use-rights by those who work the land. Thus the private ownership of land by the big landlords was viewed as illegitimate. In most of European Russia, the traditional village land tenure system was in place. Land control was communal, and the village community would periodically re-assign strips of land to peasant households. The amount of land would be based on the number of mouths to feed. Although most of the land had been transferred to the peasant villages at the time of liberation from serfdom in the 1860s, the peasant village was required to make “redemption” payments to compensate the former owner—a hated arrangement. Meanwhile, few of the Russian landlords were able to switch to the entrepreneurial farm owner methods of capitalist agriculture. With the Russian army ranks now loyal to the soviets in 1917, a vast peasant movement began in the summer of 1917 to seize the land of the landlords and refuse redemption payments.

The attempted military takeover by Kornilov in August would have a major radicalizing impact on another major base of the SR party—the rank and file in the army. In 1917, there were nine million men in the Russian army and navy. By May, the Left Socialist Revolutionary party was formed. Unlike the official SR leadership, by October 1917 the Left SRs were staunch supporters of a shift in power to the soviets—based on the multi-party or multi-tendencied soviet democracy that had emerged in 1917. When the Peasant Congress was held in November 1917, the Left SRs had majority support among the delegates—reflecting the shift away from the moderate reform agenda of the official SR party leadership.

By August 1917, the pro-capitalist Constitutional Democrats (*Kadets*) had come to the conclusion that only a military dictatorship could save Russia. They worked with L. G. Kornilov of the military high command to mount a military takeover. The putsch was defeated by the ability of the soviets to persuade Kornilov’s troops to defect. The success of the soviets in saving the revolution—and the growing discredit of the unelected Kerensky government—led to a major shift of votes in soviet elections toward the political tendencies favoring “All power to the soviets.”

Sometimes liberal and conservative commenters on the Russian revolution refer to the shift in power in October 1917 as a “Bolshevik coup”; however this is inaccurate. The attack on the Winter Palace—seat of the Kerensky government—may give this impression, but that was a minor

incident—sometimes blown out of proportion by Communist hype. The attack on the Winter Palace was provoked by Kerensky's actions. He moved to suppress the press of the Bolsheviks and also ordered army units in Petrograd to the front. The Petrograd army garrison supported the revolution and the Petrograd Soviet thus viewed any effort to move it away from the capital as a potential attack on the soviet itself. The Petrograd Soviet had formed a Military-Revolutionary Committee (MRC) on October 9 to prevent this. Knowing that their move would be ratified by the Soviet Congress, the MRC moved to arrest the Kerensky government.

By October 1917, the program of shifting power to the soviets was not only supported by the Bolsheviks, but by the Left SRs, SR Maximalists, anarchists and syndicalists, and some left-wing Mensheviks ("Internationalists"). The mass support for this shift was shown by the makeup of the Second Congress of Worker and Soldier Soviets that met on October 25, 1917. About three hundred of the 650–670 delegates to the Second Congress were Bolsheviks. However, the 80–85 Left SRs were also staunch supporters of democratic soviet power and the overthrow of the Provisional government.¹² There were also smaller groups at the Congress who also supported the shift to soviet power (such as the SR Maximalists).

The meeting of the Peasant Congress in November revealed that the Left SRs now had a majority of support, which reflected the radicalization of the peasant base of the SR party during 1917. The old moderate SR leadership were shunted aside. Since the Left SRs were staunch supporters of democratic soviet power, the two soviet congresses illustrated the mass base for replacing the discredited Provisional government with soviet democracy. The support for this shift in the two congresses gave legitimacy to the action of overthrowing the Kerensky government, demonstrating that it is incorrect to describe the overthrow of Kerensky as a "Bolshevik coup."

Once the Soviet Congress voted to ditch the Provisional government and to take responsibility for government, the Bolsheviks put forward a proposal for a new central state regime, run by a Council of People's Commissars (*Sovnarkom*). This was initially proposed as an exclusively Bolshevik group—a Bolshevik party monopoly of state power, in other words. The idea of a Bolshevik monopoly of power was opposed by the Left SRs and other groups, including numerous Bolsheviks. As Alexander Rabinowitch notes, "Most of [the Congress delegates], including Bolshevik

moderates, expected that . . . Sovnarkom would be restructured . . . as a multiparty, exclusively socialist coalition government to reflect the relative strength of the various parties and groups in the Congress of Soviets at its start. Only such a broadly based central power under the aegis of the soviets would be capable of avoiding economic disaster, fending off counter-revolution, and averting full-scale civil war.” But this conception of a broad socialist coalition government was not favored by Lenin and Trotsky, who preferred a monopoly of Bolshevik party power.¹³

This idea of a party monopoly of power would be enshrined as party orthodoxy by 1921, under the slogan “the dictatorship of the party,” but it took some time for this view to win out. The Bolshevik party had grown very rapidly during 1917 and was not a fully unified organization, and a number of leading Bolsheviks disagreed with Lenin at various points. In particular, in October 1917, a socialist coalition government was favored by the Bolshevik “moderates,” such as Lev Kamenev and Gregory Zinoviev. This position was also supported by David Riazanov, head of the Petrograd Trade Union Council.

When the Bolshevik proposal for a monopoly of power for their party on *Sovnarkom* was put forward at the Soviet Congress, the national executive board of the Russian railway workers union threatened to call a national railroad strike unless the new government was a socialist coalition representing the various socialist parties present at the start of the Soviet Congress. The Bolshevik “moderates” attempted to negotiate with the rail union committee. Gregory Sakolnikov of the Bolshevik Central Committee went so far as to say the Bolsheviks were “not seeking power” and accepted the rail union proposal on condition that the new coalition government would be accountable to the Central Executive Committee of the Soviet Congress. The Soviet Congress in October 1917 had established the CEC as the country’s new parliament or national legislature.¹⁴ But the right Mensheviks and official SR party leaders—minorities in their own parties by this time—refused to participate in a coalition with the Bolsheviks. Nonetheless, the Bolsheviks were forced into a coalition government with the Left SRs. With the merger of the Peasant Congress with the Congress of Worker and Soldier Soviets, the Bolsheviks and Left SRs now formed a coalition on *Sovnarkom*—with a Bolshevik majority. Since the peasantry were more than three-quarters of the population, the Bolsheviks needed peasant backing for the new government to have legitimacy.

Some who question the democratic character of the transfer of power point to the dissolution of the Constituent Assembly in January 1918. However, the middle-class SR leaders and their moderate Menshevik allies had a majority that failed to reflect the radicalization of the peasant base of the SR party. The Left SR party had only been formed in May 1917. The Left SRs only ran their own slates in a few districts and probably didn't have the opportunity to do enough outreach to the party base to impact the voting for the Constituent Assembly.¹⁵ At the Constituent Assembly the Bolsheviks and Left SRs demanded that the Assembly approve the program of soviet power enacted by the Soviet Congress in October 1917. The Menshevik and official SR representatives adamantly refused. As a result, both the Bolsheviks and Left SRs walked out. After which the Assembly was forced to wrap up its meetings by the Kronstadt sailors who were the official guard. This dissolution of the Constituent Assembly was supported by all of the libertarian socialist groups in Russia. The moderate Menshevik and SR leaders wanted Russia to move to a western-European-style parliamentary "democracy," presiding over a capitalist economy. There is no reason to think this would be more democratic than genuinely democratic, multi-tendenced soviets.

The libertarian socialist groups in Russia didn't agree with the concentration of state power in the new *Sovnarkom*. Nonetheless, they did support democratic soviet power and were willing to support the revolution at the time because they believed they could continue to organize for their viewpoint within the workplaces, soviets, and unions. But the possibilities for a multi-tendenced council democracy would soon be undermined by the course of action pursued by the Bolsheviks from 1918 on.

Leninists often claim that the working class "took power" in the Russian revolution. Although it is true that a central state cabinet was created by the Soviet Congress in October 1917, it was merely a top-down state, run through various ministries. It's true that the Bolshevik party claimed to be a "worker's party." So what? Was there actual democratic accountability of this government to the working class and peasantry at the base? And what was the fate of the multi-party, multi-tendenced democracy of the soviets? I think the evidence here shows that the main focus of Lenin was on securing Bolshevik party hegemony, that is, a monopoly of state power for the Bolshevik party. Bolshevik practice during 1918 did not show a major commitment to the principle of multi-tendenced soviet democracy.

There was, to begin with, a massive bias in representation in the Soviet Congress against the peasantry. Moreover, the Bolsheviks engaged in a whole series of “packing” moves that showed a concern for building in power for their party. When the Peasant Congress was merged with the Congress of Worker and Soldier Soviets, the Bolsheviks insisted on adding representatives of paid trade union leaderships and other organizations dominated by the Bolshevik party.¹⁶ The effect was to create a structural majority in the CEC for their party, which enabled the Council of People’s Commissars to move increasingly to a practice of simply ruling by decree.

As Alexander Rabinowitch points out in *The Bolsheviks in Power*, the executive boards of the various Petrograd district soviets, and various city soviets became increasingly isolated from the rank and file. Assemblies were held infrequently if at all, and no new soviet elections took place until the spring of 1918. This happened also with factory committees, which held fewer worker assemblies or elections of delegates.

In early 1918 serious shortages of food and fuel (such as wood for heating houses) developed. The early months of 1918 saw 265 factories idled in Petrograd, and 46 percent of industrial workers were unemployed by April. This eventually led to a series of independent worker conferences—Extraordinary Assembly of Delegates (EAD), which was attended by both worker Mensheviks and Bolsheviks as well as the unaffiliated. Rabinowitch shows this was a reaction to the disconnect between workers and the bureaucratized soviets and unions: “The emergence of the EAD was . . . stimulated by the widespread view that trade unions, factory committees, and soviets, perhaps especially district soviets, were no longer representative, democratically-run working-class institutions [but] had been transformed into arbitrary, bureaucratic government agencies.”¹⁷ The EAD was eventually suppressed in early July.

The increasing discontent led to a drop in the vote for the Bolsheviks in soviet elections in the spring of 1918. In Petrograd, the Bolsheviks responded by packing the city soviet to ensure party hegemony. As with the set up for the CEC at the national level, the rules for election to the Petrograd soviet were changed to allow representation for the paid trade union bureaucracy (Petrograd Trade Union Council) and other such agencies. This was a violation of the soviet principle of direct election by the rank and file. As a result, only 260 of approximately seven hundred soviet delegates were elected by factory workers. In the June election, the

Bolsheviks only elected 147 delegates from factories—a minority. Also, elections were switched from proportional representation to winner take all. Thus the 27 percent vote for Mensheviks and SRs received no delegates.¹⁸

The Bolsheviks responded to the declining vote for their party in many cities by using military organizations to overthrow the soviet. Or a Bolshevik-controlled executive committee simply ignored the election results and continued in office. For example, Yaroslavl was a textile town that held new soviet elections in late April. The vote elected forty-seven Mensheviks, thirteen SRs, and thirty-eight Bolsheviks and Left SRs. The Bolsheviks used military means to dissolve the soviet. The Mensheviks were arrested, which provoked strikes. The Bolshevik authorities imposed martial law.

Through a kind of *a priori* dogmatism, the Bolsheviks regarded any political tendency that opposed them as “petit bourgeois”—even if that tendency was proletarian in composition and outlook (such as the anarcho-syndicalists). They assumed *a priori* that their interpretation of Marxism was the only real expression of working-class interests, so any political tendency that disagreed with them must represent the interests of an “alien class.” And since the class of farmers and small business people (“petit bourgeoisie”) was the only such class that was numerous, any political tendency opposed to them must be “petit bourgeois.” So this became an excuse for suppression of soviets in which other political tendencies gained the upper hand in elections. As S. A. Smith writes: “The Bolsheviks did not hesitate to reorganize or shut down soviets that fell under control of forces they dismissed as ‘petty bourgeois.’”¹⁹

During the spring of 1918, the Bolshevik coalition with the Left SRs came under severe strain due to Bolshevik policies that trampled on the Left SR base and disrespected Left SR opinion. When the Left SR/Bolshevik coalition government was created, the Cheka was created as a political police force to ensure the Bolsheviks would have a police body outside of the control of the Left SRs. The Left SRs had argued that the Cheka was not needed as issues of speculators and other criminal activities could be left to a militia police. In Petrograd, the Left SRs developed a plan for a system of organized and unarmed patrols that would have made the Cheka unnecessary. There is reason to believe that by late April the Petrograd Cheka had become “infested by speculators—middlemen who enriched themselves by the illegal sale of essential goods such as food and fuel at

inflated prices.”²⁰

Even more damaging to the relationship with the Left SRs was the “food dictatorship” (as Bolsheviks called it). This consisted of the food requisition committees (*kombedy*), which were supposedly committees of “poor peasants.” In fact, later examination of the membership of these committees showed that 25 percent had never engaged in farming. In reality, the Cheka and the “food dictatorship” committees were infested with criminals and speculators. With complete lack of accountability, the “food dictatorship” committees would steal possessions of peasants, such as an accordion or their horses. Vladimir Karelin—a leading Left SR—criticized these food requisition committees for undermining “the whole structure of soviet power in the countryside.” From Karelin’s point of view this just illustrated the Bolshevik preference for bureaucratic centralization.²¹ The lack of accountability of both the food requisition committees and the Cheka violated the soviet principle of direct control by the base.

The event that apparently unhinged the Left SR leadership was the outright fraud of the Bolsheviks in their packing of the Fifth Soviet Congress with three hundred more delegates than they were legitimately entitled to. This was the last straw and it blew apart the coalition. As Alexander Rabinowitch writes, “There is . . . substantial circumstantial evidence that the huge Bolshevik majority in the congress was fabricated, and that their number of legitimately elected Left SR delegates was roughly equal to that of the Bolsheviks.” With the thirty SR maximalist delegates, this would have given the Left SRs and maximalists a combined majority.²²

The Fate of “Worker Control”

Throughout the period from the March 1917 revolution into 1918 there were many cases where the factory committees were converted into administrative councils as workers seized factories. The unemployment crisis in early 1918 was the product of many factory shutdowns. As S. A. Smith writes, “factory committees and local soviets clashed sharply with employers over their attempts to close unprofitable enterprises” during the winter of 1917–18. Between November 1917 and March 1918, 836 enterprises were seized by the worker organizations. Typically the factory committee became a worker administrative council, and the workers or the local soviet declared the factory “nationalized” and appealed to the central government for financial support.²³

Lenin had written a “worker control” decree in November 1917, but his concept of “control” was simply workers acting as a check on management, requiring management to “open the books,” and with controls on hiring and firing and so on. Moreover, workers had already won these controls through the factory committees and the workplace struggles in 1917. Lenin was not advocating for workers to take over collective self-management of the factories. Nonetheless, the worker control decree encouraged workers to go further because they now believed that their efforts would gain official sanction. Workers didn’t put too much stock in the boundary Lenin drew between control and management. Lenin was assuming that capitalism would continue to exist for some time and he wanted “worker control” to keep the capitalists from engaging in economic sabotage.

Out of this upsurge of worker takeovers came the first attempt by the factory committee movement to form its own national organization, independent of the trade unions and political parties. In December, the Central Soviet of Factory Committees of the Petrograd Area published a “Practical Manual for the Implementation of Workers’ Control of Industry.” The manual proposed that “workers control could rapidly be extended into “workers management.” The manual also announced the intention of forming the factory committees into regional federations and a national federation.

Isaac Deutscher explains what happened next: “The Factory Committees attempted to form their own national organization, which was to secure their virtual economic dictatorship. The Bolshevics now called upon the trade unions to render a special service to the nascent Soviet State and to discipline the Factory Committees. The unions came out firmly against the attempt of the Factory Committees to form a national organization of their own. They prevented the convocation of the planned All-Russian Congress of Factory Committees and demanded total subordination on the part of the Committees.”²⁴ The fate of the factory committee movement was fought out at the first All-Russian Congress of Trade Unions in January 1918. There, the Bolshevics put forward their plan to subordinate the factory committees to top-down union control. The main Russian political tendency with a vision for direct workers management were the anarcho-syndicalists, and at the congress, the twenty-five anarcho-syndicalist delegates represented Don Basin miners, Moscow railway workers, and other groups. The anarcho-syndicalists (with the

support of their SR Maximalist allies) made a desperate effort to defend the factory committee movement and its drive for direct workers' management. The syndicalists proposed "that the organization of production, transport and distribution be immediately transferred to the hands of the toiling people themselves, and not to the state or some civil service machine made up of one kind or another of class enemy." G. P. Maximov—national secretary of KRAS—distinguished between horizontal coordination and hierarchical control of the economy: "The aim of the proletariat was to coordinate all activity . . . to create a center, but not a center of decrees and ordinances but a center of regulation, of guidance—and only through such a center to organize the industrial life of the country."²⁵ The Bolshevik and Menshevik delegates voted "no."

Lenin and Trotsky did not support workers management of industry, and their preference for top-down, centralized state planning and control in industry by managerialist bureaucracies worked itself out as the revolution progressed. The first move toward creating a system of top-down central planning was a decree on December 5, 1917, setting up the Supreme Council for the National Economy (*Vesenkha*). This body was staffed with Bolshevik trade union officials, party stalwarts, and various professionals—all appointed from above. *Vesenkha* was given the task of creating "a plan for the organization of the economic life of the country." This council would eventually evolve into the elite Soviet central planning body, Gosplan.²⁶

During the early months of 1918, *Vesenkha* began to build its organization for the "unified administration" of the various industries. To do this they began to take over—or re-organize and revitalize—various "chief committees" (*glavki*) or "centers" the tsarist government had created for regulation of the various industries during the years of World War I. Rather than "smash" these institutions of the old state, the Bolsheviks chose to "capture" them for their use.

On April 28, Lenin's case for adoption of Taylorism and for "one-man management" was laid out in "The Immediate Tasks of the Soviet Government." To deal with the need for "economic revival," Lenin was focused on squeezing workers. He called for the kinds of managerialist control techniques used in capitalist firms to squeeze workers, such as imposed production requirements. The measures he called for included a card system for measuring the output of every worker, and creation of a

labor bureau to fix the required productivity of each worker. He also proposed paying bonuses for extra production. What we can see here is the basis for a new bureaucracy of clerks to record “productivity” of each worker, and bureaucrats to set “the rate of output.” These standards were not to be decided by the workers.

Lenin called for methods that had been developed for extracting more production out of workers under capitalist industry in countries like the US, where the “scientific management” proposals of Frederick Winslow Taylor were rapidly becoming standard corporate practice. Thus Lenin: “We must raise the question of piece-work and apply and test it in practice; we must raise the question of applying much of what is scientific and progressive in the Taylor system.”

But what is the “Taylor system”? As I discussed in chapter three, Taylor’s “scientific management” expresses the logic of the capitalist labor exploitation process. With firms thrown into competition, each firm can make more profit or reduce prices to compete more effectively if it can reduce the labor expenses required per unit of output. The “scientific management” movement was initiated by “efficiency experts” hired by capitalist firms to figure out ways to counter worker resistance and to reduce labor expenses through speed-up and work re-organization to eliminate jobs. The key “empirical” method of the “scientific management” movement was the task idea. A job was analyzed into each minute task through time and motion studies. This was done to figure out ways they could intensify work. “Scientific management” was aimed at reducing the total work time (usually through speedup) and replacing skilled workers with less skilled people wherever possible. Instead of relying on the craft knowledge of the workers, “all possible brain work,” Taylor wrote, “should be removed from the shop and centered in the planning or lay-out department.”

“The work of every workman,” wrote Taylor, should be “fully planned out by management . . . not only what is to be done, but how it is to be done and the exact time allowed for doing it.”²⁷ Separating out planning and conceptualization and decision making from the work was a strategy management employed to gain more control over how the work is performed and how much time it would take.

Thus we see that the subordination of workers to management power is inherent to the aim of “scientific management.” And Lenin was blunt in his

advocacy of building a top-down, managerialist autocracy to control workers in production. According to him, only “petit bourgeois laxity” could see some contradiction between democracy and the recent decree which “granted individual leaders dictatorial powers” on the management of the railways.

The irrefutable experience of history has shown that . . . the dictatorship of individual persons was very often the vehicle, the channel of the dictatorship of revolutionary classes. . . . Large-scale machine industry—which is the material productive source and foundation of socialism—calls for absolute and strict unity of will. . . . How can strict unity of will be ensured? By thousands subordinating their will to the will of one. . . . *Unquestioning submission* [emphasis in original] to a single will is absolutely necessary for the success of labor processes that are based on large-scale machine industry . . . today the Revolution demands, in the interests of socialism, that the masses *unquestioningly obey the single will* [emphasis in original] of the leaders of the labor process.²⁸

“Leaders of the labor process” is a euphemism for the bosses who occupy the positions of managerial authority. What we see here is Lenin adopting an outlook characteristic of the bureaucratic control class.

As the Spanish revolution showed clearly enough in the 1930s, “large-scale machine industries” (textile mills, metal-working plants, railways) were quite capable of being collectively managed by the workers through things like a coordinating council of elected and revocable delegates, periodic industry-wide conventions, inclusion of engineers as advisors on worker delegate councils, and periodic workplace assemblies to decide issues of discipline or deciding on the work organization or overall program.

Moreover, studies of actual worker control of production show that it leads to greater productivity and increased morale.²⁹ Workers are most familiar with the problems that occur in the work and are capable of working out solutions. Moreover, direct participation in decision making is part of building up the personal capacity of the working class, which in turn is part of its self-liberation from the regime of class oppression.

Lenin’s advocacy of “one-man managers” appointed from above was attacked by the “left communist” Bolsheviks as well as by the syndicalists. Often the debate was fought out as a way to defend the control being exercised by the elected administrative committees that were running many

enterprises. But the debate was somewhat misleading since the real issue is not whether there is a committee in charge or one person but the relationship of the mass of workers to the authority of management. This is true, for example, of Trotsky's discussion in *Terrorism and Communism*, where his only concern is to defend having a single person in charge, to ensure "personal responsibility"—ignoring the question of "responsibility to whom?" Would the workers control the management—through their assemblies, elected delegates, and cross-industry congresses—or would workers be subordinate to managers appointed from above, under to the growing system of bureaucratic centralism? Trotsky's discussion also ignores the way that coordination is facilitated when a coordinating council has delegates from different production groups who need to cooperate.

Lenin's "immediate tasks" also helps to clarify some of the bizarre or ambiguous passages in *The State and Revolution*, such as this one: "We are not utopians. We do not indulge in 'dreams' of dispensing at once with all administration, with all subordination; these anarchist dreams, based upon a lack of understanding of the tasks of the proletarian dictatorship, are totally alien to Marxism. . . . But the subordination must be to the armed vanguard of all the exploited and toiling people."³⁰ The top-down bureaucratic centralization being built up in Russian industry between 1918 and 1920 was under the thumb of the "dictatorship of the party" and this is who the "vanguard" were for Lenin. Lenin's forceful advocacy for workplace control by top-down managerialist bureaucracies in 1918 also helps to clarify what Lenin was hinting at in this passage in *The State and Revolution*:

We *ourselves*, the workers, will organize large-scale production on the basis of what capitalism has already created . . . establishing strict, iron discipline supported by the state power of the armed workers. . . . A witty German Social Democrat . . . of the last century called the postal service an example of the socialist economic system. This is very true. At present the postal service is a business organized on the lines of the state-*capitalist* monopoly. Imperialism is gradually transforming all trusts into organizations of a similar type. . . . But the mechanism of social management is here already to hand. We have but to overthrow the capitalists . . . to smash the bureaucratic machine of the modern state—and we shall have a splendidly-equipped mechanism, freed from the "parasite" To organize the whole national economy

on the lines of the postal service, so that the technicians, foremen, bookkeepers, as well as *all* officials . . . all under the control and leadership of the armed proletariat—this is our immediate aim.³¹

Lenin believed that the Bolsheviks could take over the managerialist bureaucracies built up by capitalism and convert them to socialist use by replacing the capitalist “parasites” (the owners) with the “workers state” (the state controlled by the so-called “workers party”). In that pamphlet, Lenin talks about officials and administrators being paid a “workman’s wage,” but in practice the Bolsheviks were soon offering higher wages for specialists, former tsarist officers (hired for the Red Army), and others in positions of authority. And when he talks about “the leadership of the armed workers,” it’s a euphemism for a state controlled by the Bolshevik party.

In 1917, Lenin believed that capitalist ownership would persist for some time under Bolshevik rule as they gradually implemented their program. Thus the role of “workers control” for Lenin in that period was to use the workplace-based factory committees to keep capitalist management in line—to prevent economic sabotage of the Bolshevik government. After the October 1917 transfer of power, it took some time for the new soviet regime to consolidate power throughout Russia and some level of conflict continued for months. But the situation rapidly shifted in mid-1918 as the conflict ramped up into full-scale civil war. With the Left SRs out of the picture and the “dictatorship of the party” in full sway, the Communists rapidly moved to complete statist nationalization of the Russian economy. If they had left industry in the hands of the capitalists, they feared the owners and managers would sabotage the production needed to keep the large Red Army in the field. Even small-scale artisan firms were seized by the state. The new policy was known as “War Communism.”

As I noted earlier, hundreds of enterprises had been taken over by the workers from below in 1917–1918, and by 1918 these enterprises were being managed by the elected worker committees—even if nominally “nationalized.” With the shift to War Communism there began a major push to replace these elected worker administrative councils with “one-man managers” appointed from above. By the fall of 1920, 82 percent of these enterprises were being run by “one-man managers” appointed by higher authorities.³² In *Terrorism and Communism*, Trotsky justified the bureaucratic managerialism of the regime in these words: “It would be a crying error to confuse the supremacy of the proletariat with the question

of boards of workers at the head of factories. The dictatorship of the proletariat is expressed in the abolition of private property in the means of production, in the supremacy over the whole soviet mechanism of the collective will of the workers and not at all in the form in which individual economic enterprises are administered.”³³ In that passage, Trotsky uses “the collective will of the workers” as a euphemism for the “dictatorship of the party.” As late as the 1930s, Trotsky was still maintaining the absurd position that state ownership of the industries was “inherently a proletarian property form.”

Despite the centralist prejudices of many leading Bolsheviks, the party also needed the cooperation of its rank-and-file worker cadres. The party’s grip on power was still tenuous. This forced the party into a compromise with its trade union base at the 1919 party congress. The compromise added language to the party program that committed the party to eventually shifting to union management of the industries. The trade union control concept was encapsulated in Point 5 of the program adopted at that congress:

The organizational apparatus of socialized industry must be based primarily on the trade unions. . . . Participating already in accordance with the laws of the Soviet Republic and established practice in all local and central organs of industrial administration, the trade unions must proceed to the actual concentration in their own hands of all the administration of the entire economy, as a single economic unit. . . . The participation of the trade unions in economic management and their drawing the broad masses into this work constitutes also the chief method of struggle against the bureaucratization of the economic apparatus.³⁴

This programmatic commitment to mass worker participation in economic management expressed a view that was popular with worker Bolsheviks and this would come out in the formation of the Workers Opposition in late 1920.

The shift to a fully nationalized economy and the disappearance of genuine soviet democracy were accompanied by a vast bureaucratic bloat. When Vesenkha was first created at the end of 1917 there were about six thousand white collar employees working for the new state economic organization. By 1922, this had grown to 1.2 million—accountants, engineers, cashiers, clerks, administrators, and the like. Many party

members who were former workers had been appointed to administrative positions or were serving on soviet executive boards or in other state bodies. For many workers this was a kind of upward mobility where they often had better economic circumstances than the average worker.³⁵

With the Russian civil war drawing to a close at the end of 1920, many workers and party members were anxious for a loosening of the repressive environment. By 1921, worker discontent was widespread and strikes broke out in Petrograd and Moscow. The immediate danger posed by foreign embargo and civil war had ended and now the trade-union base of the party was pushing for a greater say in the running of the economy. This debate would come to a head at the Communist Party congress in March 1921. The Workers Opposition charged that the party leaders had failed to carry out the promises in the 1919 program, and had “reduced to almost nil the influence of the working class.” They thus proposed to invoke an All-Russian Producers Congress to elect the management of the national economy, with the various industrial unions electing the management boards of their respective industries. To justify their position, they referred to Marx’s endorsement of the principle that the emancipation of the working class must be the work of the workers themselves.

Lenin denounced the Workers Opposition proposal as a “syndicalist deviation.” “It destroyed the need for the Party. If the trade unions, nine-tenths of whose members are non-Party workers, appoint the managers of industry, what is the use of the Party?”³⁶ Here we see how the Leninist concept of the “dictatorship of the party” directly contradicts the concept of workers managing the industries they work in.

After defeat of the Workers Opposition, the party central committee determined that the Confederation of Russian Anarcho-Syndicalists (KRAS) was the most dangerous dissident revolutionary group in Russia. They were particularly worried about syndicalist propoganda among the Red Army instructor’s units and the impact of KRAS on members of the party itself—especially members of the Workers Opposition.³⁷ By the time of the founding congress of the Red International of Labor Unions in 1921, KRAS had been suppressed and its leading militants were in prison.

Drawing a Balance Sheet on Marxism

As I mentioned earlier, Lenin was influenced by an interpretation of Marxism that was popular in the socialist parties prior to World War I. But Marxism has at times been interpreted in different ways. Here it is useful to

draw a balance sheet on Marxism. A major contribution of Marx to the socialist movement was his analysis of the structure and dynamics of the capitalist regime. Many of his ideas have been verified over the course of years. Looking at the long arc of history, Marx distinguishes various “modes of production” that have existed since the emergence of states and systems of class oppression and exploitation. The “social relations of production” are a central part of the capitalist mode of production. This is the economic structure that generates certain inherent developmental tendencies. Central to the capitalist “social relations of production” are the capital/wage-labor relationship. Capital is not stuff or equipment but a social power relation between the capital-possessors and the proletarian class. As a class without its own means to a livelihood, proletarians are forced to seek work from the capitalist firms.

Competition between firms in a market framework is part of this capitalist structure. Competing firms are forced to seek reductions in expenses to generate profit, and labor is a key expense. And thus capital constantly “revolutionizes” the system of production and the society built on it. Hence the tendency to reduce the amount of labor per unit of output. There is also a tendency toward maintaining a “reserve army” of the unemployed, to restrain worker bargaining power. If an energetic boom leads to a tight labor market and rising wages, capitalists will slow their investment as profits are threatened by the higher compensation costs. And then unemployment surges again.

The ability of capital to exploit labor derives from class oppression, where workers are forced by circumstances to submit to the managerial autocracy of the firms, and are systematically stripped of their control over their own labor. As Marx put it, control over use of our own abilities becomes “alienated” from us even though we perform the work.

Classes are seen as arising from the institutional power that dominating classes have over the immediate producers in social production—production of goods and services for each other. Marx was aware that class oppression is the basis for the ability of a dominating class to exploit labor. Profits arise out of this exploitation. Hence, the whole capital-accumulation process is built on a framework of oppression and exploitation. Thus far, libertarian socialists generally agree with these aspects of Marx’s analysis.

However, this is where I think we need to point to a serious hole in the Marxist theory of the early 1900s. Marxism focuses on the capital-

possessing power as the sole basis of class oppression in capitalism. Thus Marxism did not predict or account for the growth of the bureaucratic control class, which emerged as a major class with the growth of the state and huge corporations in the twentieth century. This is the class of middle managers, supervisors, and high-end professionals who are part of the whole bureaucratic apparatus for controlling labor and the firm—the “industrial engineers” who apply “scientific management” techniques, HR experts, corporate lawyers, and professional politicians, judges, and prosecutors who play important roles in running the state for the benefit of the class regime. Since the billionaires do not usually interact directly with workers, class antagonism is experienced by workers in their dealings with the layers of the bureaucratic control class. But the institutional power of the bureaucratic control class is not based on ownership. As with the capitalists, the power of this class—their existence as a dominating class over workers—is based on an institutional structure that gives power in social production. But this is the relative monopolization of decision-making authority (and forms of expertise directly related to the decision-making control) in social production and the State.

This hole in Marxism probably contributed to the failure to see how a bureaucratic managerialist conception of “building socialism” could simply empower some new mode of labor oppression based on the power of the bureaucratic control class. Marxism’s failure to develop a theory of the bureaucratic control class is tied in with another mistake in the Marxism of that era. Marx notes that for some thousands of years there has been a variety of different “modes of production” based on exploitation. Why does society change from one type of economic structure to another? Marx’s theory to explain this is called “historical materialism” by his followers. The idea is that the “mode of production” has two parts: the “social relations of production” and the “forces of production.” The forces of production include the abilities and technical knowledge of various people in the labor force, and the technologies that are employed at a given time. We can take a technology as a set of productive techniques or methods, and their underlying theoretical basis, as well as the tools or hardware and software employed in production.

Marx notes that various conflicts can develop between the social relations of production and the development of the productive forces. The interpretation of historical materialism that had become dominant in

social-democratic Marxist circles before World War I tended to hold that the development of the productive forces had an absolute trans-historical primacy over the social relations of production. The idea was that social conflict and the potential for change grows when the social relations of production blocks development of the productive forces. Advocates of this view point to periodic depressions that brought industrial growth to a halt. This was said to be an example of how capitalism fetters the development of the productive forces.³⁸

This version of historical materialism assumes that the development of the productive forces—growth in human productive power—is somehow a trans-historical force that can blow up inadequate schemes of social relations of production. The idea is that growth of labor productivity is inherently progressive because it builds up the potential standard of living. This also assumes that this primacy of the development of the productive forces is a class-neutral force since it is independent of—and prior to—the class structure. This became the standard interpretation of “historical materialism” in the communist movement by the 1930s and ’40s.

In the Marxism that Lenin and Trotsky were working with, it might be argued that Taylorism and managerial bureaucracies set over workers must be progressive because these are the methods through which capitalism has increased productive output. When Lenin and Trotsky started beating the drum for Taylorism and one-man management in 1918, they falsely assumed that productive effectiveness could not be achieved through the development of the skill and knowledge of workers, under workers’ self-management.

But this interpretation makes historical materialism implausible. First, a trend toward constant change in techniques to enhance labor productivity has really only existed since the emergence of capitalism. For centuries human technique tended to improve only rarely—via one-off inventions, like the changes in medieval plowing techniques.

Secondly, the theory reverses cause and effect. As we can see from looking at capitalist development, the social relations of production completely shape the way technical development takes place within capitalism. There are two aspects of the social relations of production that are especially important here. First, there is the systemic tendency of capitalist firms to ensure profitability by shifting costs (as discussed in chapter five). Firms shift costs onto workers through work intensification—

as under the speed up of the “lean production” regime. And through lack of adequate safety precautions or chemical exposures to workers—as with exposures of farm workers to pesticides and herbicides. They develop forms of work organization that systematically under-develop worker skills. Technological development shaped by the capitalist regime is certainly not class neutral. And cost shifting is especially a social problem with widespread pollution and fossil-fuel burning that generates global warming. A power firm may prefer to generate power by burning coal as this lowers their expenses per kilowatt hour, but the plant generates emissions that damage human respiratory systems and contributes to global warming—but they don’t have to pay for this.

Some Leninists might suggest Lenin and Trotsky would not have made their proposals for Taylorism and bureaucratic managerialist hierarchies set over workers if it weren’t for the dire circumstances they faced in 1918 and during the civil war. But this is doubtful. Trotsky denied that it was the dire circumstances of the civil war that account for his support for one-man managers appointed from above: “I consider that if the civil war had not plundered our economic organs of all that was strongest . . . most endowed with initiative, we should undoubtedly have entered the path of one-man management in the sphere of economic administration much sooner.”³⁹ Moreover, this explanation assumes that these methods would be in fact a way to improve working-class productivity in that situation. Actually, these methods tend to lead to worker resistance. As I mentioned earlier, studies show that worker control improves productivity and worker morale.

Moreover, when have Leninist organizations since the Russian revolution ever advocated workers self-management of industry? The real issue here is: What is the Leninist program? Leninists have in fact advocated a program of centralized state planning and control of production by the managerialist state. Collective worker self-management of industry is not a feature of Leninist programs. The emphasis on top-down, statist central planning and managerialist bureaucracies set over workers in production converts Leninism into a bureaucratic control class ideology.

Another aspect to Marxism is the emphasis on a political party as a vehicle to gain government power for implementing a program. In both social-democratic Marxism of the Kautskyan variety and in Leninist practice, this means implementing a program top-down through managerialist bureaucracies of the state. Because Marx talked about

organizing workers in general into a party, his followers built mass parties like the German Social-Democrats by the early 1900s. But electoral parties and trade union bureaucracies tend to develop their own interests—and these bureaucracies tend to operate to keep the working class captive to capitalism, as I argued in chapter eight. After a century and a half of experience with political parties, I think we can say that all parties are merely factional organizations. So, it's hard to see how they can be vehicles of working people directly exercising class power, that is, control over the decisions that affect them in the workplaces and communities.

There is one more aspect to Marxist thinking about social change that makes Marxism internally conflicted. In the 1860s, Marx advocated the principle that “the self-emancipation of the working class is the task of the workers themselves.” He saw “social relations of production” based on class oppression and exploitation as generating class conflict, and thus class struggle itself becomes a force for social change. Marx emphasized self-activity of the working class—workers building collective struggles and self-organization around their issues. He saw this as the basis of the process of class formation—the working class changing itself from an objectively exploited “class in itself” to a “class for itself”—having developed the organizational strength, skills, and “class consciousness” to create a fundamental challenge to the dominating classes. This is a side to Marxism that syndicalists agree with.

But if the working class “emancipates” itself through the building of socialism, doesn't this imply that the workers must seize direct power over the labor process and the organization of social production? In 1918–21, this was the view advocated in the Russian revolution by a number of different tendencies, such as the anarcho-syndicalists and SR Maximalists but also “left” Bolsheviks like Bukharin. This aspect of Marxism was a major influence on the “revolutionary unionist” tendencies in the World War I era who were advocates for collective worker self-management of production, such as the Socialist Labor Party and the “industrial socialists.” Bill Haywood was an influential industrial socialist in the United States. His conception of the transition to socialism was often laid out in syndicalist style as an “expropriating general strike” where workers seize control of industry.

Although multi-tendencied democracy was often the initial practice of soviet elections and worker meetings in the mass revolutionary process in

1917, the Bolsheviks showed a certain ruthlessness in their pursuit of party power. This was shown in the many incidents of packing soviet elections—from packing the Soviet Central Executive Committee in November 1917 to packing Petrograd Soviet elections in June 1918, to the fraud of adding three hundred extra (illegitimate) Bolshevik delegates to the Fifth Soviet Congress in 1918. And then there was the overthrow of numerous soviets in the spring of 1918 when the Bolsheviks lost the election.

Both Lenin and Trotsky appealed to “the dictatorship of the party” in their attack on proposals for “industrial democracy” by Bukharin and the Workers Opposition at the party congress in 1921. Here is Trotsky: “They have made a fetish of democratic principles. They have placed the workers right to elect representatives above the Party. As if the Party were not entitled to assert its dictatorship even if the dictatorship temporarily clashed with the passing moods of the workers democracy. . . . The dictatorship does not base itself at every given moment on the formal principle of workers democracy.”⁴⁰ What is the basis of this *a priori* “historical birthright” to a “party dictatorship” that Trotsky speaks of? Why does it have primacy over the “workers democracy”?

The Bolsheviks seemed to hold an *a priori* belief that socialism can only be created through a state controlled by people who are masters of Marxist theory. This is derived from their assumption that only Marxist theory—as interpreted by them—provides a correct grasp of working-class interests. The key thing for success of the revolution, in this view, was this group keeping its hold on state power; hence their fixation on control through the managerialist bureaucracies of the state. As Maurice Brinton put it, “In the minds of the Bolsheviks the Party embodied the historical interests of the [working] class whether the class understood it or not—and whether the class wanted it or not. Given these premises, any challenge to the hegemony of the Party . . . was tantamount to ‘treason’ to the Revolution.”⁴¹

If someone argues that Bolshevik repression of competing tendencies is explained by the “needs of the Russian civil war,” this assumes that repression of competing political tendencies helps to win such a war. In reality this only creates opposition and undermines cooperation. The alternative is a united front through the multi-tendencied democracy of working-class mass organizations. The “life or death” circumstances of a civil war does tend to drive political tendencies to seek allies against the common enemy. Thus in the Spanish Civil War workers in the syndicalist

CNT sought out an alliance with their counter-parts in the UGT, which was shared by the Socialist and Communist parties. Thus I don't think the "dictatorship of the party" is fully explained by the civil war. If the goal was simply defeating the whites, suppressing other left tendencies did not help.

The preference for centralist solutions was an example of how the outcome of the situation from 1918 on was shaped by the mindset Bolsheviks brought to the situation. For example, a serious problem faced by the Bolshevik government in Petrograd was a lack of wood for heating homes. In an interview with Zinoviev, Emma Goldman pointed out that there are dense forests "only a few versts" from the city. (A verst is about 3,500 feet.) Why couldn't the residents of the city, she asked, organize teams to go out and cut wood and distribute it to the residents? Zinoviev's reply, "It would create communal competition which is a bourgeois institution. It would interfere with our plan of nationalized and centralized control."⁴²

Top-down centralism was displayed from the beginning in the setting up of the Supreme Council of National Economy—created from above by the Council of People's Commissars and staffed with experts and leading party members. There was an alternative: The proposal for a national congress of the factory committees to create a center for coordination and planning from below, as proposed by the syndicalists at the First All-Russian Trade Union Congress in January 1918.

"Bolshevik propaganda in later years," as Maurice Brinton wrote, would harp on the theme that the factory committees "were not a suitable instrument for organizing production on a national scale. Deutscher, for instance claims that 'almost from their creation . . . the Factory Committee aspired to have the last and final say on all matters affecting their factory, its output, its stocks of raw material, its conditions of work, etc. and paid little or no attention to the needs of industry as a whole.'"⁴³ The Leninist argument makes a false assumption: either uncoordinated autonomy of each individual factory, or a central-planning apparatus to create a plan and then issue orders through a hierarchy. Leninists "dismiss workers' self-management with derogatory comments about 'socialism in one factory,'" says Brinton, "or with profundities like 'you can't have groups of workers doing whatever they like, without taking into account the requirements of the economy as a whole.'"⁴⁴ But there is a third alternative: A system of horizontal, self-managed planning and coordination. Why can't workers

and consumers themselves create the plan?

Through their own experience, the Russian workers had come to realize the need for coordination and planning of the economy on a broader scale. This was the point to the proposals for regional and national federations of factory committees, and the convening of a national factory committee congress—as proposed by the syndicalist and maximalist delegates to the First All-Russian Trade Union Congress.

Although Russia did face dire circumstances in 1917–21, the outcome was not simply “inevitable.” There were choices and alternatives. And the path pursued by the Bolsheviks was also shaped by their own political biases and the mindset that they brought to the situation.

“A Party of a New Type”

The third element of Leninism is a conception of a revolutionary party that differed from the pre-World War I western European electoral socialist parties. Charlie Post has described this aspect of Leninism this way: “Put simply . . . the enduring legacy of Leninism remains the goal of constructing an independent organization of anti-capitalist organizers and activists who attempt to project a political alternative to the forces of official reformism not only in the unions, but in mass, extra-parliamentary social struggles.”⁴⁵

Post notes the difference of Bolshevik *practice* from the western European electoral socialist parties as the origin of this concept. The western European electoral socialist parties were built as “mass parties” to accept varying levels of working-class participation—as voters or union members, or as activists, or officials. These parties developed powerful bureaucratic layers in the elected politicians and party apparatus, and the paid officials of unions, presiding over collective bargaining with employers. This bureaucratic layer was the basis of the reformism of these parties, keeping the working class tied to the system. Due to the tsarist police state, the Bolshevik party was built more on the militant minority of activists and organizers among workers and military rank and file—a group that grew tremendously during the struggles of 1917.

I agree with Post’s analysis of the basis of the reformism of the electoral socialist parties. The term “militant minority” was originally coined by syndicalists in the early 1900s, and was understood to refer to the more active and experienced workers who have developed organizing skills, such as public speaking, or have developed political ideas critical of the system,

and have a certain influence among their fellow workers on the job. The idea of forming an independent, ideologically-defined organization of the militant minority from the various worker and social struggles was also advocated in the early-twentieth century by anarchists and syndicalists who were called “dual organizationalists.” This means that they see a role for two kinds of organization: an “organization of tendency” based on a defined politics, in addition to the mass organizations such as the unions. The practice of forming ideologically specific anarchist or syndicalist groups to influence unions, train organizers, issue publications, and so on was already well entrenched in the early-twentieth century among libertarian socialists of the dual organizationalist variety. Thus there were various organizations of tendency in that era, such as the Turin Libertarian Group in the radical Italian shop stewards movement of 1919–20, or the Friends of Durruti Group in the Spanish CNT in the 1930s.

A later example would be the Uruguayan Anarchist Federation (FAU), formed in the 1950s. The FAU had a very large following in the grassroots unions that had existed since the syndicalist era of the 1920s and '30s. These unions were brought together into the National Workers Convention (CNT) labor federation. With Communists and reformist electoralists of the Broad Front also present, the FAU's influence was expressed through a large rank-and-file worker organization, the Combative Tendency. The Combative Tendency was a formally organized movement with about ten thousand members in the Uruguayan unions.

Syndicalists do not all agree with this idea. Some view the role of all ideologically defined organizations of tendency in the workplace arena as manipulative. However, I've already provided my own arguments in favor of the dual organizational form of syndicalism in chapter six. In that chapter I laid out some ideas about the role of an ideologically defined militant minority organization that would be acceptable to dual organizational libertarian socialists. Within the working class there are people who are active in various struggles—in helping to build a tenant organization, working to mobilize against police brutality, to educate about the climate crisis, or help organize a union in a workplace. A politically defined organization can be a kind of militant minority organization that brings activists, organizers, and writers for local publications together from these various different threads of social struggle—to share experiences, and help people from one sector to understand the issues of the oppressed in a

different area.

The “organization of tendency” can also encourage internal discussion so that people can develop greater cohesion or unity across different areas of struggle. Through publications and workshops they can play an important role of popular education—helping to train people as organizers and effective participants in struggle. Militant minorities with a revolutionary aspiration for change can help popularize the case for replacing capitalism, and can help to encourage strategic thinking in mass organizations and movements. Their role also includes participation in the inevitable “battle of ideas,” both against defenders of the capitalist regime, but also the debates among the different socialist or radical tendencies about the way forward and the tasks that need to be carried out in the process of social change. Radical participation in mass organizations that are built on a grassroots basis, such as worker-controlled unions, forms a kind of bridge that enables the radical “militant minority” to connect their ambitious agenda for change to the grievances and struggles of working people.

But Leninists go beyond these ideas in how they conceive of the role of the “party.” A central aspect of Leninism is that the role of the party is to gain leadership over the mass movements and use this as a basis for gaining a monopoly of government power for its party. What is the argument to justify this? In chapter 6 I laid out an alternative in which we think of the process of class formation developing greater cohesion and class consciousness and aspiration for change broadly among the working-class majority. And I suggested that a possible path this could take would be the coming together of mass organizations of the oppressed—various grassroots unions from various sectors, tenant and environmental organizations and other kinds of mass organizations—to form an organized social movement alliance or class front, which could develop agreement on a shared agenda for change. I think it would be likely that a variety of ideologically-specific political groups would be present in these mass organizations and have some influence on this developing process. And thus they may influence the agenda that is developed. But I see no reason why it must be one particular ideologically-specific organization or “party,” rather than a number of them. Often different radical tendencies have worked in a practical united front in building unions from the beginning, and thus I think this is a possible scenario for a genuine large-scale mass-alliance-building process.

It’s hard to find an argument for the “party as single leader” idea. But

Marta Harnecker has provided an argument for this conclusion. Here she lays out the first step in her argument as follows: “In order for political action to be effective, so that protests, resistance and struggles are genuinely able to change things, to convert mass uprisings into revolutions, a political instrument is required: one that can create spaces to bring together those who, in spite of their differences, have a common enemy; that is able to strengthen existing struggles and promote others by orientating their actions according to a thorough analysis of the political situation; that can act as an instrument for cohering many experiences of resistance and struggle.”

What is needed is “to unify behind a common goal,” she says. She goes on to explain why the political organization is needed to carry out these tasks: “A political instrument is required because we need a body that sets the scene for the first draft of a proposal, program, or national project that is an alternative to capitalism. . . . This task needs time, research, and knowledge of the national and international situation. It is not something that can improvised overnight. . . . The initial preparation will always have to be done by the political organization.”⁴⁶

There are two basic problems with Harnecker’s line of argument here. First, she says “spaces are needed to bring people together” by “orientating their actions according to a thorough analysis.” She looks to a political organization to develop programmatic proposals. But why must it be only the ideologically specific organization that is a “space to bring people together”? Why can’t independent grassroots unions or other mass organizations also play this role? And if these organizations come together in an alliance, it might include delegate assemblies and various kinds of discussion forums where this “coalescing of forces” can take shape.

In the Spanish syndicalist movement of the period from World War I to the 1930s, class unionism played this role. The CNT had regular assemblies of delegates at city-wide, regional, and national levels to bring workers together across sectors and from various industries and areas of struggle, to work out a common program and agenda. For decades, the CNT activists discussed the need for the movement to expropriate the capitalist firms as an immediate task in a revolutionary situation, to merge all assets in an industry under the control of an industry-wide federation, and to link these into worker congresses for coordination and planning. This is why worker seizure of industry in Spain was so widespread. A consensus had been built

up among the militants—and broadly among the rank and file—in the unions in favor of this approach to the revolutionary process. Thus the class unionist congresses and cross-industry assemblies did help workers to achieve both a wider vision of change and cohesion around an agenda.

Secondly, Harnecker assumes without argument that only *one* political organization can play this role of bringing people together from different sectors of struggle, help gain broader agreement on an agenda, and do research and publishing based on an analysis of the situation. Why can't multiple ideologically specific organizations carry out this activity? In fact, it seems likely there will be multiple ideologically-specific organizations that will emerge in a period of major struggle and have some influence on the mass social movements.

If there are going to be multiple ideologically-specific organizations that do research and popular education and training of militants, then we need to think in terms of the spaces where they are active in the mass movements as places where these various organizations are free to participate, and work out areas of a united front to advance the mass struggle.

Even more fundamentally, we have to think of the mass movement or social movement alliance as the organized social force that “takes power” in a revolutionary situation—*not* a “party” or ideologically-specific organization. Parties or ideologically-defined organizations are always merely *factions*. That is the lesson of more than a century of experience with socialist or communist parties. Liberation for the oppressed majority requires that they gain the power to control the decisions that affect them directly in various areas—as in neighborhoods and cities, and in the labor process and workplaces. This means the power of decision making needs to be taken away from the top-down managerialist bureaucracies of the corporations and the state, and “socialized” through power vested in the masses—via the base assemblies in neighborhoods and workplaces, and elected councils and congresses of revocable delegates. This means rebuilding the social institutions of society on the basis of self-management.

A major lesson from the Russian revolution is that it is a fatal mistake to base the immediate construction in the revolutionary process on institutions that ensure a continuation of class oppression. Setting up a bureaucratic managerialist regime over workers in social production and over local community life simply entrenches a bureaucratic layer that is not likely to suddenly “wither away” or voluntarily give up power. If workers do

not control production, some other class will, and workers will continue as an oppressed and exploited class. This is why the Spanish syndicalist movement was right to focus on workers taking over self-management of production as a key immediate task in the revolutionary situation.

1. In *Lenin Rediscovered*, Lars Lih argues that Lenin was an enthusiastic supporter of the dominant model of organization of the German Social-Democratic Party and Lenin's interpretation of Marxism followed the standard Kautskyan mold. Lars T. Lih, *Lenin Rediscovered: What Is to Be Done? In Context* (Chicago: Haymarket, 2008).

2. S. A. Smith, *Russia in Revolution, 1890–1928* (Oxford: Oxford University Press, 2017)

3. Paul Avrich, *The Russian Anarchists* (Princeton: Princeton University Press, 1967), 140–41.

4. Smith, *Russia in Revolution*, 118.

5. Emma Goldman, *My Disillusionment in Russia* (New York: Thomas Y. Crowell Company, 1970), 206.

6. Quoted in Avrich, *The Russian Anarchists*, 148.

7. See Peter Rachleff, “Soviets and Factory Committees in the Russian Revolution” in *Root & Branch: The Rise of the Workers’ Movements* (Greenwich, CT: Fawcett Publications, 1975).

8. Quoted in Sheila Fitzpatrick, *The Russian Revolution* (Oxford: Oxford University Press, 1994), 47.

9. Smith, *Russia in Revolution*, 108.

10. Israel Getzler, *Kronstadt, 1917–1921* (Cambridge: Cambridge University Press, 1983), 53.

11. *Ibid.*, 139–40.

12. Smith, *Russia in Revolution*, 150.

13. Alexander Rabinowitch, *The Bolsheviks in Power: The First Year of Soviet Rule in Petrograd* (Bloomington: Indiana University Press, 2008), 22.

14. *Ibid.*, 28.

15. This point is argued by Samuel Farber in “The Russian Revolution Reconsidered,” *Jacobin*, November 2018, <https://www.jacobinmag.com/2018/11/russian-revolution-civil-war-peasants-red-victory>.

16. Rabinowitch, *The Bolsheviks in Power*, 50.

17. *Ibid.*, 224.

18. *Ibid.*, 249.

19. Smith, *Russia in Revolution*, 160–161.

20. Rabinowitch, *The Bolsheviks in Power*, 274.

21. *Ibid.*, 270.

22. *Ibid.*, 288.

23. Smith, *Russia in Revolution*, 220.

24. Quoted in Maurice Brinton, “The Bolsheviks and Workers’ Control” in *For Workers Power* (Oakland: AK Press, 2004), 320.

25. Quoted in Maurice Brinton, *The Bolsheviks and Workers’ Control* (Montreal: Black Rose Books, 1975), 31.

[26.](#) Brinton, *The Bolsheviks and Workers' Control*, 22.

[27.](#) Quoted in Harry Braverman, *Labor and Monopoly Capital: The Degradation of Work in the Twentieth Century* (Monthly Review Press: New York, 1998), 82.

[28.](#) Quoted in Brinton, *The Bolsheviks and Workers' Control*, 40–41.

[29.](#) The greatest historical experiment in worker self-management of production was in the Spanish revolution. The re-organization of many industries under direct worker control, rooted in worker assemblies and elected delegates, led to many major enhancements in production, as in the expansion of ridership on the Barcelona transit system. An eye-witness account of many of these projects is laid out in Gaston Leval, *Collectives in the Spanish Revolution* (Oakland: PM Press, 2018). There were also vast expropriations of major agricultural estates and creation of many cooperatives in the Portuguese revolution in the 1970s. Although these suffered from state and party interference, they had many positive results, as described in a 1982 dissertation by Nancy Bermeo, cited by Robert Dahl in *A Preface to Economic Democracy* (Berkeley: University of California Press, 1985), 98. The more limited experiments with worker control have a more mixed record. However, a study by J. Maxwell Elden that compares workplaces based on discussion and decision making by workers with more conventional firms shows greater efficiency and development of worker skills in the more participatory setting (J. Maxwell Elden, "Political Efficacy at Work: The Connection between More Autonomous Forms of Workplace Organization and a More Participatory Politics," *American Political Science Review* 75, no. 1 (1981): 43–58). Direct participation in deliberation and making of decisions has a tendency to encourage participation and build the knowledge and skills of workers and improves morale. Another study with a similar conclusion is described in a book chapter by P. Blumberg, "Alienation and Participation: Conclusions," reprinted in *Self-Management: Economic Liberation of Man*, edited by Jaroslav Vanek (Penguin: Baltimore, 1975), 324–38.

[30.](#) V. I. Lenin, *The State and Revolution*, <https://www.marxists.org/archive/lenin/works/1917/staterev>.

[31.](#) V. I. Lenin, *The State and Revolution* (Peking: Foreign Language Press, 1970), 58–59.

[32.](#) Smith, *Russia in Revolution*, 246.

[33.](#) Leon Trotsky, *Terrorism and Communism: A Reply to Karl Kautsky* (San Bernardino: N.P., 2020), 92.

[34.](#) Quoted in Brinton, *The Bolsheviks and Workers' Control*, 53.

[35.](#) Smith, *Russia in Revolution*, 210.

[36.](#) Quoted in Brinton, *The Bolsheviks and Workers' Control*, 72.

[37.](#) Wayne Thorpe, *"The Workers Themselves": Revolutionary Syndicalism and International Labour, 1913–1923* (Dordrecht, Netherlands: Kluwer Academic Publishers, 1989), 145.

[38.](#) My exposition of the orthodox theory of "historical materialism" is based on G. A. Cohen, *Marx's Theory of History: A Defense* (Princeton: Princeton University Press, 1978).

[39.](#) Trotsky, *Terrorism and Communism*, 92.

[40.](#) Quoted in Brinton, *The Bolsheviks and Workers' Control*, 78.

[41.](#) Brinton, *The Bolsheviks and Workers' Control*, 80.

[42.](#) Goldman, *My Disillusionment in Russia*, 119.

[43.](#) Brinton, *The Bolsheviks and Workers' Control*, 18–19.

[44.](#) Brinton, *For Workers' Power*, 137.

[45.](#) Charles Post, “Leninism? An Appraisal at 150,” *Spectre*, May 6, 2020, <https://spectrejournal.com/leninism>.

[46.](#) Marta Harnecker, “A Political Instrument Appropriate for Each Reality,” *The Bullet*, January 25, 2019, <https://socialistproject.ca/2019/01/a-political-instrument-appropriate-for-each-reality>.

Chapter Eleven: From Syndicalism to Libertarian Ecosocialism

I've suggested that the transition to socialism needs to be driven by—and controlled by—the working-class mass organizations—especially grassroots, worker-controlled union organizations rooted in the struggles with employers. As the process of class formation develops, we can envision a situation where grassroots worker organizations of struggle have worked with other organizations to “coalesce their forces.” A variety of movement organizations—worker organizations, tenants unions, environmental justice groups, groups rooted in oppressed social sectors—and worker organizations have developed a class-wide, cross-sector front or alliance of social movements that would have the organizational strength, cohesion, courage, and aspirations to act as a “counter-hegemonic” force to the dominating classes. The working class has thus begun to organize itself into a force capable of offering an alternative future for society.

But what steps should this movement aim at in the transition to socialism? What should the program be for the transition to a self-managed socialist society? It's going to be essential for a consensus to emerge already within such a mass movement about the basic structural changes that we need to initiate. We need to talk about what we think socialism should look like if we are to build a movement for these changes.

An impressive feature of the Spanish worker revolution in 1936–37 was the widespread expropriation of the industries in Spain's industrialized northeast and widespread collectivization of land in agricultural areas. The militants and active workers in the unions spurred the takeovers as an “expropriating general strike” rolled throughout the region. Although the political events of that moment were not entirely predictable, the movement for worker control was not simply “spontaneous.” The militants of the unions in Spain had discussed for decades the need for workers to take over the industries and re-organize them under worker self-management. They had been trained to think of this as an important immediate step in the revolutionary process.

Our program for building socialism needs to address the major structural features of the capitalist regime that we want to replace—structural features that are at the root of the oppressive and exploitative work regime, vast inequality, and ecological destruction inherent to capitalism. The system of class oppression and exploitation is rooted in two institutional structures of class power that the movement must break. First, we need to get rid of the private ownership of the nonhuman means of production, which allows for vast extraction of profit to build the wealth of a tiny, super-rich elite who dominate society.

But private ownership is not the only basis of oppressive class power over the working-class majority, and here we need to learn from the major mistakes of the twentieth century socialist movement. The twentieth century saw major growth for the second institutional structure of class power, a newly emergent dominating class—the bureaucratic control class, as I call it. The power of this class is based on their monopolization over the decision making authority (and some related areas of expertise) in the corporations and state, via top-down bureaucratic hierarchies. This is the class that exercises control over workers day-to-day and this is where workers experience an antagonistic class relationship in their work lives—and in the various aspects of the state such as the criminal justice system. The bureaucratic control class includes the managers who control workers day-to-day but also high-end professionals who work with the managerial regime to control workers. Ever since the “industrial engineering” occupation emerged out of the work re-organization practices and ideas of Frederick Winslow Taylor and Henry Ford, industrial engineers have forced greater work intensification, de-skilled jobs, and shifted discretion and conceptualization in production into the hands of the management apparatus. Corporate lawyers also work to defend the interests of the firm and help to break unions. HR experts, judges, and prosecutors also are a part of the system’s control bureaucracy. A worker’s liberation movement must have a program for eliminating the power of this class over the working class.

The growing ecological devastation of our time is rooted in another basic structural feature of capitalism: its inherent cost-shifting logic, which drives pollution, destruction of the ecological commons (such as forests and oceans), and the existential threat of global warming. This feature of capitalism is rooted in its market-governed character in which firms are

driven to seek reduced expenses per unit of output in order to survive in the system's competitive shark tank. Stress from work intensification creates health problems for workers, and is one form of cost-shifting. But pollution of the air and water is another. When a power firm burns coal to generate electricity, the emissions are damaging to human respiratory systems over a wide area, and the carbon dioxide contributes to global warming. But the power firm doesn't have to pay these costs. If the firm was responsible for these costs, any financial advantages of burning fossil fuels over solar or wind power would evaporate.

The top-down bureaucratic state is another institution that preserves and defends the regime of class oppression. The subordination of public sector workers to bureaucratic managerial hierarchies illustrates that class oppression is inherent to the State. The complete disconnect between policies favored by the working-class majority and actual policies enacted by the government illustrates the reality that the layer of electoral "representative democracy" does not actually give power to the masses. The appearance of people having a say has had great value to the dominating classes in creating a semblance of legitimacy for a regime based on oppression and exploitation. Thus we need a program for replacing private ownership, the bureaucratic control class, cost-shifting, and the State—four prominent structural features of the capitalist regime.

Basic Guidelines for a Transition to Libertarian Ecosocialism

Self-management as Guiding Principle

In chapter one, I introduced the concept of *positive liberty*, with two parts: (1) *Self-management*: To be self-managing is to have control over the decisions that affect you to the extent you are affected by them, and (2) equal access to the means to develop your potential and sustain your health and abilities.

Self-management is both a natural capacity and need of humans. We have the capacity to develop goals for ourselves. We can foresee possible courses of action and develop plans for realizing our aims. We can learn and develop skills to help us in realizing our aims. We also develop and sustain our capacities by putting them to use in making decisions and controlling our own activity. We are also inherently a social species with the ability to cooperate in self-managing efforts at realizing collective or shared goals.

Because self-management is rooted in human nature, it forms a basis for a naturalistic ethics that justifies the movement to rebuild all the institutions of the society on the basis of self-management.

Self-management, as I understand it, is about control over decisions “to the extent you are affected by them.” Individuals or groups in society may be the people *primarily* affected by certain areas of decision making—more so than others. Some decisions affect mainly you. These are decisions about how you conduct your own life as a distinct person. Being self-managing means you get to control these decisions yourself. The boundaries of personal autonomy can be controversial and sometimes tricky to pin down, but we don’t suppose that there is no sphere of decision making about your own life where you should be in charge.

Decisions are *social* if they govern the joint activities of a group of people or have a shared effect on a group of people who are more affected by those decisions than others. For some areas of decision making the social group might be everyone—as with issues that affect everyone in the society roughly equally. For example, if a coal-fired power plant is damaging the lungs of people in the region near the plant, the decision to burn coal to produce electricity affects them all. But most decisions tend to affect some people much more than others.

Various decisions about an industry or workplace will impact people other than the workers in that workplace—consumers of goods or services, people in the region affected by the air or water emissions from that area of production. This means that the worker organizations that self-manage the various industries will have to be socially accountable to the larger society—accountable to the masses who they are producing the goods and services for, and accountable to the entire populace who share the ecological commons we all depend on.

Thus, self-management doesn’t just apply to worker control of decisions about the labor process and workplaces. The goal of libertarian socialism is to rebuild all the institutions of the society on the basis of self-management, rooted in the face-to-face democracy of the assemblies in the workplaces and neighborhoods.

No to Statist Central Planning

To work out what the program should be for building a socialized economy, a key question is how the economy is governed, that is, how are decisions made? If we were to assume that a socialized economy is based on

“social ownership” of the means of production, some might infer that this means that the way to govern the use of the means of production should be based on all the citizens of the society having an equal say and equal control over the planning and operation of the economy. In fact, socialists have made proposals of this sort—either based on the elected politicians and state bureaucracies doing the planning and running the industries, or, in more grassroots versions, neighborhood assemblies discuss economic proposals and elect delegates to some kind of communal congress that controls economic planning. This idea of everyone in society (or in a geographic region) having equal say over the running of the economy via government ownership and control is what I call the *geographic* model of socialist governance. A recent example of a proposal along these lines is sketched out by W. Paul Cockshott and Allin Cottrell in *Towards a New Socialism*.¹ Their proposal has some features I agree with, such as hours of work as the measure of work effort, and worker remuneration based on work effort. They use retail sales of products as the basis of production planning for personal consumption goods, which I also advocate. They also propose a referendum to decide how much of a region’s income will go for personal consumption goods versus public goods and services. I discuss my version of this later in this chapter.

Nonetheless, their proposal is a form of central planning where the government planning authorities assign inputs and output goals to the various production groups, which means that workers will be denied effective self-management over their work and the workplaces. A fundamental flaw in this type of proposal is that the politicians—and those in control of the planning process—will want to have managers on site in the workplaces to make sure that workers carry out the plans that state leaders have concocted. Thus a purely geographic conception of “socialist” economic governance tends to inevitably lead to top-down, managerial hierarchies set up to control workers in workplaces. This is consistent with how “ownership” is understood within capitalism. Because the investors own the companies, they have the legal right to impose a managerial despotism over the workers there. If we look at the structure of existing states, we see that they have class oppression built into them—with the same sort of autocratic power of the bureaucratic control class over workers as in private capitalist firms. In the previous chapter, I discussed how Lenin and Trotsky insisted on the subordination of workers to managers

appointed by the planning bureaucracy to control production. They tried to justify this as consistent with “worker power” by referring to the election of worker delegates or a “workers party” to a soviet congress. In reality, workers were subordinate, lacking control of the industries where they worked. As the history of the socialist movement shows, a purely *geographic* or statist conception of “socialist” governance will tend to sustain a system of class oppression.

Worker Self-Management

The syndicalist strategy of building worker unions that are self-managed by their members and pursuing worker aims through direct struggle and participation tends to set the stage—is a kind of preparation—for a shift to direct worker self-management over production, because the movement has built habits of democratic decision making and a constant struggle for worker power in the workplace. Thus the syndicalist strategy has a natural fit with the libertarian socialist goal of rebuilding all of society’s institutions on the basis of self-management.

Under the present capitalist regime, managers directly monitor and track our work and make the decisions about the work that we and our co-workers are expected to carry out. The top-down corporate hierarchy controls decisions about what technology to use, what chemicals we’re exposed to, how the work is organized, hiring and firing, how our jobs are defined, what products we make, and whether to shut down the workplace and move the jobs to some other site in the global system. We are denied control over these decisions that directly affect our lives. Our right to be self-managing in work is denied. Thus, workers taking over the various industries and creating organizations of worker self-management for those industries is necessary to the process of worker liberation from class oppression and exploitation

When we talk about self-management of these decisions, we are talking about decisions where workers are the group who are primarily affected. These are decisions about the way our abilities are put to use, how the work process is governed, and how we are treated in the world of work. This includes decisions about work flows, the technologies being used, how we coordinate the various aspects of the work, when joint work starts and ends, or where the workplace is located. Here we are talking about economic operations based on the cooperative, coordinated labor of the people who produce the product or service. People spend a large part of their lives in

the workplace, and conditions at work have a direct impact on a person's health and opportunities for development of skills. Working people can't free themselves from the dominating classes unless they gain the power to self-manage their own work.

Moreover, workers taking over all the various nodes where they work in the system of social production is *strategically* central to the working class gaining power in society. The syndicalist proposal is for the working class to socialize the economy "from below" through a process of workers taking over the various industries and creating their own democratic organizations to self-manage the work in that industry. Here is a basic truth: If workers do not control their own work activity and the workplaces, then some other class will, and thus the regime of class oppression will continue. So an essential task for worker's liberation is the worker takeover of the various workplaces and industries and the creation of organizations of worker self-management. For workers to control the labor process, the organization of the work, and the control of the workplace, there must be face-to-face democracy of periodic assemblies of the workers in that facility. This is where the staff can deliberate and make decisions on the basic policies and the over-all governance of their facility and for their industry. For ongoing coordination of the labor, the workers can elect colleagues to a coordinating or administrative council. In a typical facility that is fairly sizable, there are often departments that have issues that pertain first and foremost to them, which suggests a kind of distributed decision-making structure where departments have their own periodic assemblies to make collective decisions for themselves.

However, this direct self-management of production does not mean that workers would be split up into competing cooperatives or "collectives." Rather, as Diego Abad de Santillan put it during the Spanish revolution in 1936, the worker production groups are not "proprietors" of the industries but are "only administrators at the service of the entire society." The goal of a syndicalist program is *socialization*, not converting workplaces into the collective private property of the workers there.

De Santillan justified the CNT movement's goal of socialization in this way: "We are an anti-capitalist, anti-proprietor movement. We have seen in the private ownership of the instruments of labor, of factories, of the means of transport, in the capitalist apparatus of distribution, the primary cause of misery and injustice. We wanted the socialization of all the wealth in order

that not a single individual should be left on the margin of the banquet of life.”²

There is an assumption that worker self-management of the industries must be accountable to the whole society. When the CNT unions seized the various industries in the revolution in the 1930s, they expropriated the assets on behalf of all the people, implying a commitment to a form of planned economy where there is popular participation in working out the agenda for production.

Neighborhood Assemblies

Various decisions about an industry or workplace will impact people other than the workers in that workplace. Whether someone is working in the social economy or not, the people who live in a city neighborhood or rural area will have concerns that are common to those in their area—such as elimination of pollutants, or the character of the public goods and services available in their area. Thus residents of a city, neighborhood, or region need to be able to self-manage the planning about provision of services or protection from environmental degradation. These are decisions that affect everyone who lives in a region, and is where neighborhood assemblies come into play. Just as worker assemblies provide the base for workers self-management of workplaces, assemblies that bring people together can provide a social base for self-management of public affairs and public services by an area’s population.

A district of some thousands of residents might have its own periodic neighborhood meetings, its elected neighborhood committee, but also elect delegates to a city-wide or regional congress of delegates from all the neighborhoods. We might call this a Congress of Communities. The area of decision making that the neighborhood assemblies and the regional congresses of communities would work on would be the development of the plans for provision of public goods and services, protection of the interests of people as consumers, protection of the ecological commons, controlling the land use, and issues like emissions that affect air and water.

Different kinds of public goods and services affect people at different geographic levels. The neighborhood assembly might be concerned about the creation of new parks, a gym, or other recreational facilities, or better bus service. On the other hand, the overall operation of the transit system or major new services like a subway line would be a part of the planning of a congress for the whole metropolitan region.

The neighborhood assemblies and wider-scope congresses of communities would be developing *requests* to the worker-managed system of social production. When the regional congress of community delegates for the metropolitan region works up proposals for new bus lines or other transit system improvements, they do not hire managers to form an autocratic bureaucracy to control transit workers. Rather, the workers would self-manage the transit system.

A relevant example in recent times has been some cities' attempts at "participatory budgeting"—based on participation by residents in neighborhood assemblies. An example was the participatory budgeting experiment enacted by the Brazilian Workers Party when they controlled the city government of Porto Alegre, Brazil. The city allotted control of planning to neighborhood assemblies for a limited part of the city's discretionary budget, to determine what services the neighborhoods wanted. When I was in Brazil in 2003, I interviewed a member of the secretariat of the Federação Anarquista Gaúcha (FAG)—a sixty-member anarchist activist and organizing group in Porto Alegre. They told me that the neighborhood assemblies did develop plans but very often the mayor's office would overrule them. This is a limitation due to the fact the assemblies were embedded in the existing bureaucratic state, but this does show that neighborhood planning is possible through a participatory process.

No to Market Socialism

If we reject the state-organized central planning model, what is the alternative? One option proposed by some socialists is a "market socialist" economy of competing worker-controlled enterprises or cooperatives (as in the proposals of David Schweickart and Bhaskar Sunkara). Syndicalists have historically been opposed to market socialism. When the revolutionary syndicalist unions came together to form the International Workers Association in 1922, they defined their programmatic goal as "libertarian communism," referring to a non-market form of socialized economy. The word "libertarian" refers to positive liberty, and thus to the rebuilding of all social institutions on the basis of self-management. They did not conceive of the goal as private ownership of the means of production by workers via competing "collectives" or cooperatives. To build the fighting capacity to replace capitalism with worker power over production, a working-class movement that could drive this change would be likely to have developed a

high level of solidarity and a major united front within the groups subject to exploitation and subordination in capitalist society. Why would they want to then pit groups of workers into competition with each other in separate enterprises? Moreover, if the market-governed character of the capitalist set-up is the basis of the ecologically destructive cost-shifting dynamic, market socialism is no solution.

Economic Planning through Popular Participation

The alternative to market socialism and central planning is a *distributed* model of democratic planning. A socialized economy requires that the worker-managed industries produce the goods and services that the masses of people want. How do we ensure effective accountability? This leads to what I call the *dual governance model* for a socialized economy. This means that we take seriously the idea of popular self-management for decision making about the concerns that people have as consumers, users of public services, or as residents affected by environmental issues. With the dual governance model, we keep worker self-management of the industries but we add self-management rooted in assemblies of the residents in neighborhoods, and election of delegates from these geographic areas to congresses of delegates over wider regions. This provides a basis for self-management of communal, consumer, and environmental protection issues. A distributed planning system needs to have a way to effectively coordinate between the many centers of self-managed planning in the society—workplaces, coordinated industrial self-management organizations, and planning for social benefit that can occur through delegate bodies over wide geographic scope as well as by local communities.

We're familiar with the way that prices enable different companies and households to coordinate or adjust their plans to each other within the present society. As we will see, a *non-market* price system can be used in a planned economy also as a means for coordination between the plans of communities for public goods and services, households in their consumption decisions, and worker production organizations. Because it is a socially controlled price system, the destructive cost-shifting of capitalism can be eliminated. As a non-profit, coordinated economy, the competitive drive for profits is replaced by an economy geared to cooperation, worker mastery of production, and human well-being.

Protecting the Ecological Commons

The potentially catastrophic effects for humanity from global warming illustrate the danger from treating the atmosphere as a free “sink” for emissions. In this case, carbon dioxide from burning fossil fuels, or methane from leaky gas fields, are putting humanity on track to very dangerous levels of heating of the atmosphere and oceans—leading to deadly heatwaves, rising seas, and intensified storms. A lot of the technical changes needed to move away from this path are known or being developed. We can see how this catastrophic direction comes from the cost-shifting dynamic of capitalism. A power firm in Texas burning coal contributes greatly to global warming, and is also damaging the respiratory systems of people downwind from the plant. But the power firm doesn’t have to pay anything for these costs. If they had to pay an appropriate fee, methods of power generation that don’t rely on burning fuels would look a lot better for the financial balance sheets of the power firm.

Protecting the ecological commons means that the society has to take collective responsibility for protecting the air and water, the forests, and so on. My proposal here is to “socialize” the access to the ecological commons by giving control over this access to all the people who are locally affected by a particular commons or by possible emissions into the air or water, or drawing down of a regional aquifer. The population who live in particular areas or regions would have the power to protect themselves against being polluted.

As we will see below, this approach will allow us to calculate prices for ecological damage. These prices can then figure in costs assigned to the balance sheet of production groups, giving them a positive motivation to reduce ecological costs. This allows us to define a concept of ecological efficiency. Following Robin Hahnel, I define *throughput* as consisting of all the natural resources that we extract (wood from forests, limestone from a quarry, hydrocarbons from the subsoil) and all the negative effects of pollutants that are emitted. To the extent we reduce throughput required per unit of social benefit from social production, we have improved ecological efficiency. The ability to assign accurate prices to throughput enables us to have an economy that generates a tendency toward greater ecological efficiency. Thus, if the ecological efficiency of production is improved, some element of growth can occur without increasing ecological damage.

Some radical environmentalists say that the source of the ecological

devastation of the capitalist regime is “growth.” But growth in regard to what? It is true that the non-profit-driven planned economy proposed in this chapter would be lacking the capitalist regime’s obsessive drive for profit. Nonetheless, growth is going to be needed along various dimensions—growth in equipment needed in the shift to a non-fossil fuel based electricity system, growth in free-to-user health provision, growth in rehab of buildings to make them more ecologically sound, and many other areas. And this also means we need a way to ensure a shift in the production system so that it works at reducing its damaging ecological impacts.

Replacing the State

An important lesson from the revolutions in the twentieth century is that the initial steps in the process of social transformation need to avoid creating new institutions that will simply continue some system of class oppression over the working class. Thus a key part of the syndicalist program is the initial moves to take over the workplaces and re-organize production under worker self-management, which gives the working class the power to shift the priorities of the production process on issues such as ecological impact, quality of the products, improved health and safety for the workers, etc. This differs from a Marxist conception of social transformation, which sees the key aim as the capture of state power by a “worker’s party.” Through this “worker’s state” the party would implement a socialist program. In fact, “proletarian state” is a contradiction in terms. States are based on top-down managerialist bureaucracies where public sector workers are subordinate, so class oppression is built into the structure of the state. When the Bolsheviks got control of the central state in Russia in 1917, they proceeded over several years to build a system of top-down central planning with managerialist bureaucracies installed from above over the workers in the various industries. Thus they set in play a process that created a new class-divided economic arrangement, based on the power of the bureaucratic control class.

A key task the working class must accomplish in a period of social transformation is the breaking down or dismantling of the State. Taking over the various industries and establishing worker self-management of production is a central task, but changing the system of political power in society is equally important. A society must have a method to decide basic rules and enforce them. This is the core of the governance system of that society. Breaking down the State means changing the governance system so

that the formerly oppressed majority gain control over governance.

We are used to thinking of a geographic basis for “democratic government” in which people elect politicians to represent the people in a district, based on universal right to vote. Thus it might be thought that the neighborhood assemblies and congresses of delegates from neighborhoods might be sufficient for a new government system. I think this is likely to be a mistake. A revolutionary process that works to liberate the working class from subordination to the capitalist and bureaucratic control classes needs to expropriate the means of production from the old owning class but also needs to break the power that the bureaucratic control class has wielded over workers and over the state. This process is likely to lead to major opposition from the people in these classes who lose power. The college-educated managers and top professionals whose power is threatened or removed are likely to oppose their loss of power. Moreover, they have the speaking and writing and organizing skills to build organizations and organize in neighborhood assemblies and congresses of neighborhood delegates to advance their class interests and try to maintain a powerful role for their class. They can build “political parties” that push a program that would shift power to the high-end professionals and managers. To prevent this, I believe that the working-class mass organizations must build political power based on workers and their assemblies and organizations in production.

This is where the syndicalist proposal for worker congresses comes into play. These would be congresses of elected and revocable worker delegates, elected from the various worker assemblies throughout a metropolitan area, a larger region—or throughout the region transformed by the revolution. Bringing together all the neighborhood and workplace organizations from the region being transformed creates what we might call the *Social Federation*. I would see the regional and Social Federation-level worker congresses as akin to a legislature, having the power to craft a new charter for society and set out the division of powers of the various organizations. The worker congresses are a key aspect of working-class political power.

A part of the governance system is the way that social self-defense is organized. There is the potential of foreign invasion—such as a force trying to restore capitalism. People are also going to want protection from individuals or gangs who act in predatory, anti-social, or violent ways—who commit assaults, try to bully their neighbors, engage in theft or sexual

violence. At the same time, there needs to be a fair process of finding out if a person accused of such crimes is actually guilty—based on evidence and activities of workers such as those in forensic labs. People want to be free of the insecurity from the threat of violence. Of course, in a society where a movement of the oppressed majority has gained power, the self-defense roles—such as policing or segregating people for violence offenses—would need to be done differently than under the kind of massively violent police and prison regime that exists in the United States at present. The police in the US currently operate with virtual impunity when they engage in violent or repressive behaviors. Since their origin in the early-nineteenth century, American police have been a central part of a racialized regime of class oppression. They know that their role is to defend propertied interests and keep the masses in check. Thus enforcement of the basic rules of the society needs to be rebuilt on a different basis.

For syndicalists, a crucial issue is going to be “Who controls the dominant armed power in society?” The idea that the worker mass democratic organizations need to gain control of the dominant armed power in society in a revolution is a long-standing syndicalist principle. As such, the 1922 principles of the syndicalist International Workers’ Association said: “Syndicalists do not forget that the decisive struggle between the Capitalism of today and the Free Communism of tomorrow, will not take place without serious collisions. They recognize violence, therefore, as a means of defense against the methods of violence of the ruling classes, in the struggle of the revolutionary people for the expropriation of the means of production and of the land. Just as this expropriation cannot be commenced and carried to a successful issue except by the revolutionary economic organization of the workers, so also the defense of the revolution should be in the hands of these economic organizations.”²

This would mean the development of a worker’s militia or “people’s militia,” drawn from the communities of the oppressed and exploited majority. Although some aspects of social self-defense require full-time trained people, such as the forensics staff, much of the activity can be performed by people who are trained, but do the work part time and have other work activity they do at other times. People who do policing as a full-time job have a tendency to develop a view of themselves as a group set against the population. But in a war situation, on the other hand, the

military role of the militia would require full-time work.

The governance institutions here are a form of government. Although states have been the way government has been carried out for centuries, a form of government need not be a State. Under a libertarian socialist proposal, governance is rebuilt on the basis of self-management—rooted in the face-to-face democracy of the neighborhood assemblies and worker assemblies. All the public services are self-managed by democratic staff organizations. There is no paid bureaucracy of professional politicians and state managers set over the population and engaging in top-down control through the state managerial hierarchies. Governance still exists but is conducted through organizations that are grounded in democratic participation.

In what follows I am going to flesh out more of the program for building self-managed socialism.

Industry-wide and Society-wide Worker Coordination

If workers don't control their own work activity and the workplaces, then some other class will, and so class oppression will continue. Thus an essential task for worker's liberation is the takeover of the various workplaces and industries "from below" and their re-organization under worker self-management. Workers will need to bring the different facilities together into an industrial federation to do planning and coordination for an entire industry—such as healthcare, railways, or agriculture. Without a means to coordinated control and policy for an industry, worker groups controlling particular facilities might be pitted against each other in competition. Workers would be atomized and their social power diminished.

The kind of movement that gives the working class the power to challenge—and to ultimately defeat—the capitalist regime would be based on an increasingly intense class-wide solidarity, as the oppressed majority coalesces its forces in a united front around the basic changes needed in society. With this growing level of solidarity, why would workers who take over the workplaces in their industry want to suddenly put themselves into competition with each other as competing cooperative "businesses"? In the situation where the capitalist facilities are taken over, different companies may have stronger or weaker competitive positions, and some workers may

receive lower pay or experience worse conditions. A basic principle of industrial unionism is to fight to “take wages and conditions out of competition.” An advantage of coordination of the whole industry through an industrial federation is that it enables workers to achieve better conditions for the worse off. Moreover, splitting workers up into competing firms would atomize the working class, putting them in a weaker position in society. In the period that ensues from the major struggle over liberation from the oppressor class regime, people who have been in the habit of giving orders to workers or holding elite professional or managerial positions will be pushing to retain or regain the power the bureaucratic control class has over workers. Workers will need strong organizations to prevent the continuation of the bosses’ class power.

The goal of a syndicalist program is *socialization*, not converting workplaces into the collective private property of the workers there. The process that played out in the “expropriating general strike” (generalized worker takeover of industry) in northeast Spain in 1936 provides a useful experience we can learn from. The CNT’s aim was to group together all the industry workplaces into an industrial federation that would be responsible for managing that industry. Social accountability would be reflected in the development of social plans to which the various industrial federations would be expected to adhere in their work. The industrial federations are not “proprietors” of the industries but are “only administrators at the service of the entire society,” as de Santillan put it. We can think of an industrial federation as rooted in the workplace assemblies in the various facilities throughout an industry. Periodically these assemblies would send delegates to an industry-wide convention to decide basic policy, coordination, and goals. The assemblies can also elect an ongoing coordinating committee with delegates in the various facilities.

For the Spanish syndicalists, there were two aspects or phases to syndicalist socialization. The first phase was expropriation of assets of the capitalists and creation of an industrial federation—suppressing market competition between firms in the industry. The second phase would be the creation of overall social planning. For this they envisioned regional and national Worker Congresses with delegates elected from the workplace assemblies. Apart from local exceptions, the Spanish revolution never got to this second phase of overall social coordination.

The CNT’s national industrial federation of telephone workers seized

the assets of the Spanish National Telephone Company (the largest subsidiary of ITT). In some cases an industrial federation was created as a joint project with the UGT (aligned with the Socialist and Communist parties). This happened in industries where the UGT was a major part of the workforce—as in the railway industry and on the big hydro-powered electric monopoly in northeast Spain. After railway worker militants seized the Madrid-Zaragoza-Alicante railway—the largest privately owned railway in Spain—they moved to create a single Revolutionary Railway Federation to manage it, and soon merged other railways into this federation, such as the Barcelona commuter railways. The railway federation was coordinated by a twelve-person “Revolutionary Committee” and a full-time Executive Director. The Revolutionary Committee was made up of working delegates. The two unions present on the railways—the UGT and CNT—each had six delegates. Assemblies of the rank and file were held every two weeks in the railway terminals. The delegates gave reports, and could be removed by the assemblies.⁴ During the course of the revolution the forty-thousand-member CNT health-worker federation built Spain’s first socialized health care system, taking over hospitals and drug factories and setting up health clinics.

In a number of industries, the CNT industrial unions merged the assets of that industry’s businesses (as in the furniture and entertainment industries). The CNT woodworkers union took over the sawmills in the Pyrenees mountains and seized all the furniture factories and mom-and-pop cabinet-making shops in both Barcelona and Valencia. The union used the assets from the shuttered workplaces to build a new factory with the latest American equipment, which had better safety features. The new factory also had a gym and swimming pool where the workers could relax. “The concept that prevailed,” a wood union member recalled, “was that the working class should have good furniture at cheap prices.”⁵ An internal caucus in the union—an FAI group—disagreed with this focus on mechanized production and wanted to reorganize the industry into self-managed work groups. That might be a better way for the workers to learn and practice furniture design and craft skill, but their critics in the union described this as a throwback to the pre-capitalist era of self-employed artisans. This debate shows that there’s not just one cookie-cutter solution to industrial self-management.

The goal needs to be the creation of a horizontally federated system of

production that can implement planning and coordination throughout industries and over a wide region. This would enable workers to:

- Gain control over technological development.
- Re-organize jobs and education to eliminate the bureaucratic concentration of power in the hands of managers and high-end professionals, develop worker skills, and work to integrate decision making and conceptualization with the doing of the physical work.
- Reduce the workweek and share work responsibilities among all who can work.
- Create a new logic of development for technology that is friendly to workers and the environment.

Redesigning Jobs and Work Organization

For workers to gain power over the labor process and the industries where they work, it is not sufficient to simply have workers elect the board of directors. We must also figure out methods for breaking—removing—the power of the bureaucratic control class. There are several elements I've suggested thus far. First, there is rooting the basic decision making in the workplace and departmental assemblies. Secondly, the workplace coordinating council can include people who are working delegates (still doing their regular job part of the time). The delegates can be revocable by the base at any time. Also, the coordinating council members should have term limits so that they go back into the regular workforce after their maximum term in office. We do not want the coordinating councils to evolve into some permanent bureaucratic power group.

We also need to look at the way jobs are defined to ensure workers have the skills and knowledge that enables them to participate effectively in decision making. This requires a basic re-examination of the way jobs are set up in the industries inherited from the capitalist regime. Capitalism doesn't just produce the various goods offered for sale—iPhones, Ford pickups, and packaged ground beef. The way work is organized also tends to create a mindset in which people accept the way decisions are made and who is in charge. The existing division of labor encourages workers to accept subordination and respect for boss authority, on the one hand, and a sense of entitlement to run things on the part of managers and high-end professionals.

Back in the early industrial capitalism of the nineteenth century, entrepreneurs who set up factories or other types of production

organization relied extensively on the existing skills that workers possessed. (Remember Haywood's quote that "The bosses' brains are under the workman's cap.") Skills and technical methods were passed on from one generation to the next through craft tradition, through methods such as apprenticeship. With the emergence of new industries and work reorganization in the early-twentieth century, technology based on craft tradition was replaced over time by engineering rooted in science. In theory, worker craftsmanship could have been transformed by making education in the physical sciences and engineering methods more broadly available to the working class. A "skilled trades" level of worker training could have been organized more widely, and this could have been upgraded with a broader emphasis on scientific education. This was an approach advocated in 1899 by Peter Kropotkin in *Fields, Factories and Workshops*.

What is needed today is an approach that looks for various tactics to re-integrate the design and decision-making activity with the physical work. The aim should be to figure out ways for workers to gain more of the skill, training, and decision-making experience that is needed for them to effectively participate in the real control and direction of production groups.

Michael Albert and Robin Hahnel developed the concept of "balanced job complexes" in which they envision jobs being redefined to include a mix of tasks where the more rote physical activity is combined with tasks that require more skill or expertise or decision making. I think there is no *a priori* formula for doing this since the types of tasks vary greatly from one industry or workplace to another. This is an area where the worker organizations would need to develop their own study of how skill, decision making, and physical work can be combined in various kinds of jobs. The proposal is *not* to require that everyone become an expert on everything. That is not possible—nor is it necessary. Rather, the idea is that more workers have some area of expertise or skill in the mix of things they do in the course of a month of work. I would guess that developing a program of this sort would be one of the roles of the Industrial Federations, perhaps through the creation of Job Enrichment Committees.

Objections from the Marketizers

There are a number of objections to job balancing that have been raised by marketizers (either defenders of the capitalist regime or proponents of "market socialism"). Here is a standard argument: "People don't all have the

same talent. Talent is a scarce resource. And there is a social cost for the lengthy periods of training for people to acquire the ability to do engineering or medicine, or ‘skilled trades’ work such as tool and die making. There is a certain minimum number of people needed for these kinds of work if a person devotes all their work time to it. So it is a waste of resources—an economic inefficiency—to train more people than that minimum.”

The marketizers argue that job balancing will require the society to train more people who can do tasks requiring higher levels of skill or expertise because some part of the time this group will spend doing tasks that less skilled people could do—as opposed to the Taylorist-Fordist “industrial engineering” approach, which minimizes the number of people who would require such skill level. And this will increase costs of production.

The marketizer line of argument is fallacious because it leaves out compensating efficiency gains from job balancing. First, the logic of Taylorist-Fordist-style “industrial engineering” tends over time to create a vast under-development of the latent talents and potential of working-class people. Many people who currently work in professional jobs come from wealthy or college-educated families that gave them an advantage in pursuing the university degrees that are the ticket to various professions. There is no reason to believe that similar potential is not latent within many working-class people. The under-development of working-class skill is itself an economic inefficiency.

There is also another basic counterargument. When capitalist relations of production assume that manual workers are to simply “do as they’re told,” it creates apathy or resentment among workers while creating a sense of entitlement in those who make decisions in management, design, and work organization roles. The issue here is the positive freedom of workers, their ability to have effective shared control in the production process and the running of an industry. We do not need to assume an exact equality of expertise, but to be able to effectively participate in the actual control of the labor process and the production organization, workers need to have enough technical understanding and skill to make shared control a reality.

Finally, studies of worker control and decision making in workplaces show a substantial gain in job satisfaction, morale, and productivity.⁶ If we look at the overall gains in efficiency with job balancing, it is likely to more than even out the added training costs needed to have more people with the

ability to do work requiring higher levels of skill or expertise.

Marketizers also have a second argument, related to the first one: “If people spend more time devoted to the area where they have their expertise and skill, and avoid doing the physical tasks or ‘menial’ work, they will get better at their particular area of skill or expertise.” In reply, I would point out that a balanced job might have the more skilled tasks or use of expertise concentrated over some period, with other types of tasks done perhaps on other days, or even different weeks. People may still have plenty of opportunity to get fully engaged in use of their skills and expertise. For example, a person who works both as a bus driver and transit-system planner might work an entire week doing transit planning of some kind, and then drive a bus for a number of days the next week.

There is also a third argument against job balancing from the marketizers. Some argue that systematic efforts at job balancing and shared control will be an infringement on the freedom of individuals to pursue whatever sort of job they want. To begin with, I’ll point out that job re-organization is not going to happen if this isn’t seen as an important goal of the mass worker organizations that drive the shift to worker self-management of industry. Worker unions or production organizations—either industrial federations or at a particular facility—would need to set up work re-organization committees or task forces. If they want to get rid of the old bureaucratic managerialist layer that controlled the workforce under the capitalist regime, they are going to have to think about how the governance of the workplace needs to change. Part of this is looking at the roles of the workplace assemblies, elected delegate councils, and other new roles that are created to empower the workforce. In other words, the shift in the organization of the jobs is something that workers will be creating for themselves. No “party” or state bureaucracy is going to impose this on them.

Positive freedom is an essential part of freedom, and positive freedom includes workers training to develop skills and expertise, and their ability to control the labor process and the workplace. People in the old bureaucratic control class may complain that they no longer have the freedom to hold their old jobs, but the capitalist organization of production was a systemic infringement on the freedom of the working class. And the domination of workers by the bureaucratic control class is part of the class oppression of the capitalist regime. So the marketizer argument about restricting the

freedom of people looks only at the loss of power of the dominating classes, and not the gain in freedom for the working class.

Remuneration

When we look at the vast inequality within capitalism, it's clear that the reason for income inequality lies in the various structures of power that give certain people more power to gain income shares far larger than others. The most powerful structure is the ownership of non-human means of production and business assets. Capital is a social power relation that enables the capital possessor to enter into factors of production and buy or rent equipment or land; hire managers, experts, and workers; and set up a managerialist despotism over workers. Even though workers perform the labor, the firm owns the revenue from the sale of goods or services. The ability of the top capitalist elite in the United States—the “one percent”—to suck down 40 percent of the national income is rooted in this social power.

However, even if the capitalists are expropriated and their social power removed, there are other structures that generate significant inequality. The bureaucratic control class have substantial power from their monopolization of decision-making authority and concentrations of expertise related to the control of the firms and the state. They may appeal to meritocratic ideology to justify their higher incomes—“we have the university degrees and we deserve high incomes from the responsibility we exercise.” But this is really just a “might makes right” ideology. Workers have the latent capacity to replace the bureaucratic managerialist structures with their own collective self-management of the social production process.

To motivate the work that is required for social production, there does need to be an incentive for people to actually do the work. A basic working-class sense of justice says that workers do earn an entitlement to consume a share of the social product through their labor. The key thing here is that *the worker actually does the work*. Moreover, whether a person does do the work or not is the only thing that is really within their own control at the moment. But this will be true irrespective of what particular tasks the person does, or what particular skills the person uses to perform the labor. This is the basic argument for the position that the rate of remuneration should be the same for every person per hour of work. This view was defended by Karl Marx in *A Critique of the Gotha Programme*. There, he argued that the actual time spent working is the key measure of the worker's

personal contribution or investment in social production. As he put it, the concrete “labour-time of the individual” represents the individual’s social contribution, because time spent working is a roughly accurate measure of the personal effort or sacrifice the worker contributes to the social product.⁷ Marx allows for an exception where the work is particularly onerous or stressful. This would mean the individual makes a greater sacrifice per hour of work. For example, if driving a transit bus is especially stressful, it may result in a lowered life expectancy. If we assume the standard workweek is thirty hours, it might justify a reduced workweek of twenty-four hours for drivers, but with thirty hours of remuneration. We can envision industrial federations examining particular jobs to determine if there is evidence of greater stress or harshness of work—for example, by looking at long-term health effects.

Marx is assuming that this system of remuneration for concrete work time occurs in a worker-controlled socialist society—“the lower phase of communism”—that has just emerged from capitalism through a process of social transformation. Because the institution of “wage-labor” has been done away with, compensation is no longer based on labor-market leverage or the bargaining power of workers in dealing with employers. Although workers are hired on by production groups, they are not subordinated to some managerial autocracy but immediately have equal voice and vote in the worker democracy that runs that production organization.

This “labor values”-approach to worker remuneration in socialized production was also adopted by the Spanish CNT in its libertarian communist program of May 1936. Thus, in the Spanish revolution, a key goal of the union was the *sueldo unico*, the single wage. The success in accomplishing this in the revolutionary process of 1936 was mixed. The railroads throughout northeast Spain were seized jointly by the CNT and UGT unions and a new organization to manage the railways was set up: the Revolutionary Railway Federation, which equalized wage rates for everyone. Another example is provided by the CNT unions in Hospitalet de Llobregat. In the 1930s this was a gritty, industrial suburb of Barcelona, dominated by metal-working plants, blast furnaces, and textile mills. The revolutionary syndicalist “unions should take power”-tendency was dominant in the CNT in this town. The CNT overthrew the city government and replaced it with a soviet-style council of delegates elected from the workplace or union assemblies. They also expropriated the entire

economy of the town and equalized wages for everyone; the latter was especially beneficial for women workers who had usually been the lowest paid. Equalizing the rate of remuneration is a valuable tool for overcoming the patterns of inequality based on entrenched discriminations.

The main objection to remuneration based on concrete time working or actual effort and sacrifice in work is the claim that people should be remunerated more for greater skills or expertise. Marketizers will argue that the permanent advantages of higher income are needed to motivate people to make the extra effort to acquire the expertise.

Within the capitalist regime, it is true that people with scarce skills or credentials can command a higher rate of pay. This is another case where there is a difference in *power*. Labor-market leverage is a form of social power. If the aim of a socialized economy is to develop the potential of working people through enhanced skill development, changes in the educational system will be needed to train more people with the expertise and skills to participate effectively in the shared control of production. We can envision various measures to help implement this, including increasing the school slots for fields such as medicine and engineering, and making education free to the student at all levels throughout their life. This should also include stipends for living costs for full-time students, so they can better concentrate on their studies. After all, acquiring skills and knowledge is a form of work in that it will contribute to social production. The upshot of this would be to greatly diminish the scarcity of skills and expertise in various areas, including engineering and medicine.

If the cost of creating the skills and expertise of the individual is covered by systems of social provision, why should the individual be able to privatize this as a permanent personal income advantage? A person might say that someone deserves to be paid more, for example, because of their sacrifice in going through medical school. If medical school is free and the student is provided a stipend to live on, is their sacrifice greater? If person A went through medical school and person B is driving a transit bus, did person A put forth greater sacrifice during the time in medical school? Which is harsher? Studying or driving a crowded rush-hour bus? In my experience attending graduate school was one of the most enjoyable periods in my life. I learned new knowledge and skills, and shared the excitement with other students with a similar interest. Moreover, learning new skills and knowledge builds a person's sense of confidence and accomplishment.

Using these skills often, one gains a certain social prestige or recognition for the contribution you are making. Thus it seems to me that the study and learning to gain skills and expertise—and the use of this expertise—already provide personal advantages. I think these advantages are sufficient to motivate people to pursue learning and acquiring new skills and expertise.

Allowances

Although concrete work in social production is one of the ways people may obtain consumption entitlement, there are other principles the community would be likely to agree to for how people obtain a share of the social product. A goal for a worker movement in creating a socialized economy would be providing work in self-managing work organizations for all who are willing and able to work. But there are likely to be situations where people are simply between jobs or are not able to work due to illness or disability. There is no reason to penalize them for this. Thus there would need to be a program to provide them with a socially average level of consumption entitlement. Moreover, the society is also likely to continue with the practice of no longer expecting work contribution from people once they reach a certain age. And there is no reason to penalize people for their age. The upshot would be socially average consumption entitlement for all retirees.

We can refer to these allocations of consumption entitlement as *allowances*. There are also good reasons to provide parents—people responsible for children—with some additional consumption entitlement for each child. If we don't go along with this, we are saying that adults should be penalized for having children as they will have less consumption for themselves than adults who have no children. Moreover, parents are raising the next generation. Their children will eventually also contribute to society through their work and in other ways. Why should the responsibility of raising the next generation fall solely on the parents?

Back in the nineteenth century, an intense system of gender inequality got entrenched in the United States because the costs associated with rearing the next generation were dumped entirely on parents. Since women would be pregnant or nursing a lot of the time in that era, and so had the less regular work record, men were likely to have a better chance of getting higher pay. Thus it was rational for working-class families to send out the men to do wage work, and women were the ones who were left with doing the unpaid labor of maintaining the home, raising children, and taking care

of the men. This sexist, gender-based division of labor was enforced through the policies of employers who often refused to hire women, or fired women as soon as they got married or became pregnant.

This is an example of the cost-shifting logic of capitalism, which I discussed in chapter five. As certain kinds of work were deemed “women’s work” and other kinds of work regarded as “men’s work,” women’s work tended to be devalued, which became a basis of a pervasive pattern of lower pay for women as they were increasingly integrated into the paid labor force during the twentieth century.

To ensure a social arrangement based on gender equality, we need to avoid shifting the costs of taking care of children entirely onto the people raising them. Providing allotments to parents for expenses in rearing children is just one of the measures that can work in this direction. Additional policies for this goal might include universal high-quality free-to-user childcare and high-quality early education (pre-kindergarten). The early cognitive development of children shouldn’t rest solely on the capabilities or background of those raising them.

What about individuals who have an aversion to work or difficulty in getting along in a work group? We don’t have to throw them under the bus. There could be a certain minimum level of consumption entitlement that everyone is guaranteed. If a person decides to just survive on this, it’s not likely to be a problem as long as this “universal basic income” is lower than the average consumption entitlement from work. There would still be a material incentive for work in the system of social production. This also provides an incentive for production organizations to make work attractive enough that people do not have to be desperate to do it. Writing in 1918 (using the word “man” where one would write “person” nowadays), Bertrand Russell defended this idea of a small universal income in these words:

We find at present that a man who has a small income from investments, just sufficient to keep him from actual want, almost always prefers to find some paid work. . . . So it would be, presumably, in such a community as we are imagining [if a small stipend were provided to everyone to cover minimal necessities]. At the same time, the man who felt an avocation for some unrecognized work of art or science . . . would be free to follow his desire, provided he were willing to ‘scorn delights and live laborious days.’ And the

comparatively small number of men with an invincible horror of work—the sort of men who now become tramps—might lead a harmless existence, without any grave danger of their becoming sufficiently numerous to be a serious burden on the more industrious.⁸

Thus a person who had some project not remunerated through the social production system or who just wants to do things other than work could decide to survive for a time on the bare minimum.

Positive Liberty and Public Services

I've said that positive liberty includes "equal access to the means to develop your potential and sustain your health and abilities," meaning that a social arrangement that aims at positive freedom has reason to provide free-to-the-user health care to sustain your physical capacities. A system of socialized health care needs to be based on self-management of that public service, just as with any industry. This means that the health care service would have its own democratic structure for self-management to ensure control by the people working in that sector. A system of self-managed socialism, based on worker power over production, also needs to include a strong development of occupational health efforts such as systematic studies of the effects of various production methods on the health of the workers. In this way, health care can contribute to the re-design of jobs and production methods to make them more friendly to worker freedom and health.

Free-to-user universal health care is based on the provision of a portion of consumption on the principle, "From each according to ability, to each according to need." Health itself provides an objective basis for what is required for "need." Although I have also endorsed the principle of earned remuneration through concrete work time, these two principles can co-exist. In fact both principles were present in the CNT's 1936 libertarian communist program. Provision for need applies to things like child allowances and health care. In reality there are multiple principles that provide a basis for how people are linked to a share of the social product. So far I have used remuneration for work, allowances, and provision of free-to-user services as the basis of personal consumption.

Positive liberty is also enhanced by the development of the skills and human potential of working-class people. As I've argued, a wider development of skills and expertise among workers in the system of social production is necessary so that workers have more effective ability to

participate in the decision making and control of the workplace. The goal of generalized self-management of the society provides an argument for universal free education at all levels, at any point in a person's life.

The self-managed socialist society will have a substantial sector of free-to-user (or very inexpensive) public goods and services. As such, the community as a whole will need to have a way to develop plans for the extent of the public goods and services they wish to request of the production system. This leads me to the next topic: How to conduct social planning to ensure social accountability of the worker-managed industries.

Because public goods and services affect the entire population, there needs to be a role for the neighborhood assemblies and regional congresses of delegates from communities. The neighborhood assemblies can discuss both public goods they want for their area—such as better bus service or a new park—but they participate in the wider society-wide planning for the overall provision of public goods and services and ecological protection for the entire region.

A key role for the regional federation of neighborhood assemblies and its congress would be in deciding on the overall size of the public goods and services budget. This will normally depend on the income of the residents of the region. The total income of all the residents would be the aggregate of all earned remuneration of workers plus the total consumption entitlement dispersed as allowances. Via some kind of vote—whether in the regional congress of communities or a referendum carried out in all the neighborhood assemblies—the regional federation of neighborhood assemblies will have to decide on what percentage of income goes to individuals for acquiring personal consumption goods and what percentage goes to the budget for provision of the free-to-user (or subsidized) public goods and services. The percentage of income committed to the public goods and services budget is a kind of tax rate.

I would say this is the “normal” way the public goods and services budget is established but there would be exceptions. Suppose there is some disaster such as a hurricane that is extremely damaging to a particular region. In that case, its public goods and services budget may be enhanced with subsidies from the wider multi-regional Social Federation, to help recovery.

Because the neighborhood assemblies and the regional federations of the communities play a crucial role in ensuring social accountability for

what is produced, another possible role of the resident-based communal organization here might be evaluating the consumer products and protecting consumer interests. The regional congress of communities might have a Consumer Affairs Department that could play a role analogous to the Consumers Union of the 1930s. This organization had its own lab and test facilities, and did evaluations of products, and was in fact the origin of *Consumer Reports* magazine. We can think of the Consumer Affairs Department as a self-managed staff group who assist the delegates of the community congress in their planning activity. With the backing of the neighborhood assemblies or regional congress, the Consumer Affairs Department might suggest new products or changes to existing product lines.

In order to engage in planning activity, neighborhood assemblies, city-wide congresses of community delegates, and wider society-wide congresses are going to need to have assistance from various public service groups that have professional training, collect statistics, and do investigations in many areas—such as environmental pollutants, health effects of products and industrial processes, housing, and so on. I use the word “departments” to refer to these staff organizations that provide assistance or advice to the community and worker assemblies and congresses in developing their plans.

Creating an Accurate Price System

To make socially responsible decisions about what products to make, we need to know what the social opportunity costs are for the various alternative products or alternative methods of production. The social opportunity costs of producing a certain amount of some good are all the things we must give up to make it. If our budget for public goods and services is finite, and we decide we really want to do a crash program to increase the housing stock by a large amount, we may find we have to cut back other types of construction because the materials and construction-worker time won't fit in our budget, or we may lack the budget to also ramp up educational services as we would like because the total public goods and services budget has finite limits.

No matter what we produce or what methods are used, we give up other things we might have produced with the worker hours and materials to produce a particular product or service. So we need to know “Is this the best use of those worker hours and resources, given what the needs and desires of the population are?” The total number of worker hours

committed to production in the society is finite. And we live on a planet with finite resources. The point to a price system is that a price is supposed to encapsulate the total social costs of producing something.

Marketizers will claim that market-driven pricing generates economic efficiency precisely due to encapsulating costs. In reality, market pricing is grotesquely inaccurate as a gauge of social costs. In chapter five I discussed the way that shifting costs onto others is inherent to the capitalist structure. If an electric power company burns coal and generates pollutants that damage respiratory systems of people downwind of their facilities, they don't have to pay for this—nor do they pay for their contribution to global warming, with its potentially devastating world-wide impact on human society. This is an absolutely pervasive problem with a market-governed price system. Firms are in competition and under great pressure to minimize their expenses. If the power company had to pay for the actual health damage or contribution to global warming, it might make coal-burning far more expensive per kilowatt hour than renewable energy sources. Using gas or coal to create power shifts costs onto others and thus lowers the expenses to the company. The natural gas extraction fields created by the fracking industry generate water pollution and emission of as much volatile organic compounds as a leaky oil refinery in Houston—and methane leaks that contribute to global warming. As with burning of coal, the costs of the natural gas industry are avoided by the gas firms and so the price for gas-derived power from burning natural gas is lower than its real social costs.

Both advocates for capitalism and proponents of market socialism try to rely upon the bureaucratic state as a *deus ex machina* here—proposing state regulations and fees as a solution. But how could the state know what the real social cost is for any pollutant or damage to forests? Moreover, powerful influences by the polluting industries make this an implausible solution. A distant bureaucracy that the polluted communities have little control over is going to be vulnerable to political pressure and lobbying—leading to the familiar problem of regulatory capture. Even if the people running the state agency were sincere in their desire to force an accurate accounting for the pollutants, they'd have no way of doing so. In other words, how would they achieve an accurate measure of what the actual social cost of any given pollutant is? When fees or fines are assessed, the usual tendency is for these to assess the cost as far lower than the reality—to avoid politically damaging

howls of protest from the polluting industry.

The dual governance model has the advantage that it enables us to create a price system for social planning, which can give a more accurate picture of social costs than the market-driven prices of the capitalist regime. In what follows I am going to describe a *distributed* planning system that makes use of a *non-market* pricing system. The planning system is distributed in order to ensure self-management in the various areas of decision making in the society—from production groups to neighborhoods and regions. This is mostly drawn from the “participatory planning” model developed for self-managed socialism by Robin Hahnel and Michael Albert, but I differ from them on some of their suggestions, as I’ll explain.

The basic idea is that the worker production groups develop their plans for what they propose to produce. Depending on the industry, the industrial federation may also play various roles in developing a coordinated program for that industry. For example, I’ve already discussed the way the industrial federation can develop the program for re-organizing jobs and developing programs for skill development, and examining the health consequences of different methods of production. Again, the idea is to “take wages and conditions out of competition.” As the different production groups develop their proposals for production of goods and services, the various neighborhood assemblies, regional federations of neighborhoods, and the entire Social Federation-wide congress of community delegates develop plans for the kinds of public goods and services they wish to request of the production system. We can consider the proposals of the production groups as a kind of response to the projected “demand.”

If we look at the federation of neighborhood assemblies for a region or metropolitan area, the aggregate request for goods and services will consist of both the requested public goods and services (as developed through their own democratic planning process) and private consumption goods. How do we get an accurate projection of demand for private consumption goods? Let’s consider how this works currently. Large retail firms, such as Amazon and Walmart, have their computerized inventory tracking systems, and they do market research. From this data they have the ability to project what products people are likely to prefer in the coming months, and they use this as the basis of their orders to suppliers. Of course, this is a guess. When firms invest in production of goods for sale, it’s speculation. Trends of what people prefer may change over the next months, which can result in over-

production of some things and shortages of others. When there is over-production, there may be layoffs in some sectors. The waste of producing products that can't be sold is one of the reasons socialists used to criticize the "anarchy of the market"—its failure to coordinate production directly to what people want. The mismatch between what is produced and what people end up preferring is an inefficiency of a market economy. Not as destructive as the inefficiencies of cost-shifting, such as global warming or pollution of air and water, but inefficiencies nonetheless.

To overcome this inefficiency, Hahnel and Albert propose that individuals or households submit household consumption plans. As Hahnel explains, individuals or households only need to project the quantities of items under "coarse categories," such as "a certain number of shirts or pairs of shoes, estimated pounds of chicken, a proposed new flat panel display, a new car" and so on. They don't need to provide more detailed information—such as exact shoe size or preference for style. This is not needed because worker production groups have exactly the sort of information firms have now to figure this out—demographic information (such as distribution of shoe sizes) and trends thus far in items people purchase at distribution centers. Providing the broad categories enables people to point out some new purchases they are planning, or changes in their life. Hahnel argues that the production system is still making a "guess" about what to produce but it will be a more accurate guess with the additional information, and this will reduce the kind of inefficiency that is manifested in over-production or shortages.²

But are people going to understand this reduced inefficiency and see it as important enough to motivate adopting the system of individual household plans? Given the many more damaging and oppressive aspects of capitalism we have to work to overcome, I'm skeptical that people will want to adopt the system of individual household plans. I want to argue though that distributed, participatory planning can work whether or not people agree to adopt the system of individual household planning.

Even if individuals did household planning to estimate their purchases for the coming year, their preferences are likely to shift over the course of the year, and by shopping around when they want a particular item, they may "educate their desire" in a way that leads them to some new preference. Robin Hahnel recently debated this issue with Erik Olin Wright. Let's consider a production organization that makes shoes. How do they know

exactly how many brown versus black size 10½ men's dress boots to make? Hahnel concedes that the production group does not need to have consumers giving them detailed requests—such as the exact size or color or style. The shoe production group starts with information about the proportions of shoes or boots of different sizes and styles that have been made over the past year, and also knows what the consumer preferences were in the same period. As Hahnel says, “This kind of new information is what helps the worker [production group] to answer the question of exactly what type of shoe it should be producing, just as it does in market economies. So much for the claim that a planned economy has no solution to the question about the exact mix of styles and sizes.¹⁰ The various distribution centers in regions provide information about what people are actually buying, and this information is used to project the next year's demand.

Rather than doing individual household plans, I suggest that the neighborhood assemblies in an area, and their Consumer Affairs Department, use the data on local purchasing trends in the distribution centers (such as supermarkets, department stores, warehouse stores) to make an educated guess or projection of the products that the residents in their area will want over the coming year. This is akin to what major retail firms do right now. This is rather like taking the trend in actual choices of residents over the past year as a substitute for the individual plans. The distribution workers federation runs the network of distribution centers and can work as a clearing house to sort out any over-production or shortages. The distribution centers could arrange movement of products to locations where demand was higher, or could offer lower prices to entice purchases, to reduce inventory. To the extent that slightly more or less of a certain product is produced than people want, it is an inefficiency but it would be no worse than under market systems where this inefficiency is pervasive.

I propose a Department of Price Information as a staff organization to assist the planning process at the society-wide or Social Federation level. This group would be responsible for publishing the comprehensive price schedules that the neighborhood assemblies and worker production groups use in developing their plans. This will ensure everyone is on the same page as far as the prices they are using in developing their plans. This group simply aggregates all the consumption requests from the various regional communal organizations (both for individual consumer goods and public

goods and services) and the various requests for inputs from the worker organizations. To develop a projection for supply, they can aggregate all the production proposals from all the worker production groups.

The Price Information Department is not a central planning board; it doesn't craft plans or give orders to production groups. They do not "set" prices arbitrarily but would operate with some kind of pricing rule which the Social Federation congress has agreed to. A pricing rule might work like this: "If the projected demand for X increases N percent over the projected supply of X, raise the current projected price of X by N percent." Hahnel's planning process allows for a series of "rounds" where neighborhood assemblies and regional community congresses adjust their requests in light of changes in project prices, and worker production do likewise. This allows for the plans for production and consumption to gradually converge. Moreover, it is likely that the Social Federation congress, which controls this process, will be under pressure to keep the number of "rounds" to a minimum, as production groups and regional congresses of community delegates are going to want to keep the amount of time they spend on revising plans to a level that is "good enough." Once the planning is completed, the production groups have an agenda for production to work to for the next year—though there could be adjustments mid-year if there are major changes in conditions.

Protecting the Environment

Protecting the ecological commons means that the society has to take collective responsibility for protecting the air and water, the lands, and so on. This is an important role that I envision for the organizations of people who reside in neighborhoods, cities, or a whole watershed or other region. Capitalism allows firms to pump pollutants into the air as the air is treated as an unowned "free good." When fishing companies over-fish the coastal regions, their competition for a source of revenue in sales leads to over-exploitation, and drives fish species toward extinction. The fish in the coastal areas are treated as an unowned "free good" that the fishing organizations can capture. Even when the state, at present, regulates polluting activity of firms (such as emissions from oil refineries), the state agencies protect the firms by not allowing direct power of the population to ban or restrict pollution. The state is a distant bureaucratic agency that monopolizes environmental regulation, and in doing this, allows the use of the ecological commons by firms as a free sink or source of wealth from

extractive activities.

My proposal here is to “socialize” the access to the ecological commons by giving control over this access to all the people who are locally affected by a particular commons or by possible emissions into the air or water, or drawing down of a regional aquifer. This means that the neighborhood assemblies who would be impacted by emissions from a local steel mill or bus factory have control over the permission to emit any pollutants. The regional congress of communities would have some sort of Environmental Protection Department that includes scientists who track pollution and can give advice to the local residents on the potential health damage from various kinds of pollutants. This control over use of the ecological commons effectively “socializes” it. Robin Hahnel describes the process this way: “In each iteration of the annual planning procedure there is an indicative price for every pollutant in every relevant region representing the current estimate of the damage or social cost from releasing a unit of that pollutant into the region. What is a pollutant and what is not a pollutant are decided by the federations representing those who live in a region, who are advised by scientists employed in research and development operations run by the resident federation.”¹¹

If the local bus factory emits a particular chemical that is carcinogenic, for example, the regional congress of communities could simply ban it. The factory production group would then have to figure out different techniques that won't emit that pollutant. But what if emitting some pollutant is unavoidable? Does the factory shut down? The residents in that region may not want to lose the production. So, let's suppose they decide to demand a 50 percent reduction instead of a total ban. The strength of their demand for reductions in pollutants restricts the supply of permissions to pollute. Here we have a case of supply and demand, which enables an accurate price to emerge. The production organization may propose to produce N units of this pollutant, which represents the “demand” (for a permission to pollute) in this case. This type of data enables the Price Information Department to issue a schedule of indicative prices for pollutants. Once the overall social plan is finalized, the price the production group must pay for its permission to emit N units of this pollutant goes onto its budget. The production group's costs include the total kilowatt hours of electricity, the worker-hours of some form of expertise (such as mechanical engineering), the use of X tons of steel and so on. The price for

the pollutant determined by the distributed planning process is a cost that goes onto the production group's budget.

The regional congress of communities is then credited with an addition to its budget for public goods and services. Meaning that the communities can expand their public goods and services budget beyond what they would have had available, based on the agreed percentage of total regional income going to the public goods and services budget. This approach to pricing ecological costs has the following advantages:

- Production groups have a direct incentive to develop new technical methods to reduce pollution and thus to reduce the total impact of pollution.
- The proposal enacts the “polluter pays” principle and re-imburses communities damaged from pollutants by increasing their public goods and services budget. In this way, the actual victims of pollution are compensated.
- It provides an incentive for neighborhoods and regional communities to create an accurate assessment of just how important it is to them to eliminate certain ecologically damaging practices, and also forces the production groups to reveal exactly how important it is to them to continue to make use of resources, such as using the air as a sink for emission of certain pollutants.

The ability to assign accurate prices to throughput enables us to have an economy that generates a tendency towards greater ecological efficiency, so some element of growth can occur without increasing ecological damage if the ecological efficiency of production is improved. Nonetheless, there is no *guarantee* that the decisions made by the resident-based organizations, such as regional congresses of communities or neighborhood assemblies, will be adequate to recover from the current tendencies towards ecological devastation. There is still going to be a need for strong, organized environmental groupings that can act as “militant minorities” within the various communal bodies to ensure that an ecologically wise direction is pursued.

How Can Production Groups Fail?

In any feasible economic arrangement, it is likely there will occur economic failures of production groups. This can happen, for example, if demand has rapidly disappeared for the products due to various changes in society or consumer taste. It can also occur in the system of generalized self-

management I am proposing here. An effective economy needs to ensure that the costs we invest in certain production organizations is justified by the actual human benefit provided from their work. In the distributed, planned economy I have been describing, there are two ways to measure social benefit.

First, there is the extensive, decentralized system of community self-management over its planning for public goods and services. As an accurate measure of the costs of the various proposals emerge in the planning process, the benefit to the community from the requested goods and services is measured by the willingness of the community to continue with a plan that requests a series of public services such as free-to-user high quality childcare, free-to-families early childhood education (pre-schools), a free-to-user network of public transit services and so on. In other words, the decision to assign a certain percentage of total regional income for public goods and services, is itself a measure of the social benefit provided by those goods and services.

Second, there is also a sector of private or individual goods that are sold through the distribution centers managed by the distributive worker organizations in the various communities or regions. The share of personal consumption entitlement (from either work remuneration or allowances) that people spend on various products is a measure of the human benefit provided to those people by the production groups who have generated the various products.

So each production group's year-end result has both a total of social costs (including ecological costs) as well as a total of benefit provided to the consumers of the goods and services. Our socialized economy works on a "non-profit" basis where the social costs are justified by the human benefit provided, but what if the measure of a production group's benefit is only 80 percent of costs? This means the benefit-to-cost ratio for that production group is 0.8. We can say that the goal of our non-profit economy is for production groups to achieve a cost-to-benefit ratio of 1, which means that the costs are exactly matched by benefits provided. Thus the Social Federation congress may agree on a rule where a low benefit-to-cost ratio triggers a process where a production group will need to justify its existence if it is not to be disbanded. In other words, a production group may be subject to being disbanded if its cost-to-benefit ratio goes too far below 1.

A cost-to-benefit ratio falling below 1 might trigger a team being sent

out by the industrial federation to do a study of why this group is failing. Are they using outdated technology that is highly polluting (and thus generating high ecological costs on their budget)? Are they in need of additional training for the members of this group? Members of more successful groups in their industry might be sent in to try to mentor them or advise them on changes. The industrial federation may find that there is no viable solution or their efforts haven't worked. Is the production group too inept or lackadaisical about their fate? Has the consumer demand for their product evaporated? If so, the industrial federation may end up disbanding the failed production group, and redistribute its resources. The workers would still receive allowances equal to average remuneration while they look for a new position with a different production group.

This also provides us with a reply to a criticism of the Hahnel-Albert planned economy proposal. According to David Schweickart, the worker production groups “have little motivation to find out what people really want.”¹² This assumes that consumers would be completely lacking in power, as they were under the statist central planning scheme in the Soviet Union. Keep in mind that the worker production group at the end of the year—under our version of distributed planning—will have a record of both costs of production and benefits provided, which determines the fate of their production group. If the group is *not* producing what people want, it won't be able to justify its continued proposals for total worker hours of remuneration and allocation of the means of production it is using. If their benefit-to-cost ratio falls too low, their production group might be disbanded.

The worker production groups also have various incentives to work at finding innovations—new techniques to reduce pollutants, techniques to economize on materials extracted from the ecological commons, techniques to reduce the worker hours per unit of output, and also innovations in the products, that could bring greater consumer support for their product line. Increases to worker productivity per hour of work cannot be cashed in as greater income, but they can lead to a reduction in the workweek required to obtain the standard level of consumption entitlement. Perhaps the worker congress at Social Federation level decides (or holds a referendum) on the standard workweek. If the standard workweek has been thirty hours but there has been a 20 percent gain in productivity in the last several years, they might decide to cut the standard work week to twenty-four hours for

the same thirty-hour workweek level of consumption entitlement. More free time provides a motivation for seeking ways to produce the same level of output in fewer hours of work, so improvements to labor productivity are “socialized” via a general increase in free time.

Another aspect to innovation is the creation of new products and the setting up of new production groups. What if people would like a new product to be produced but they can't persuade an existing production group to produce it? There are two ways new production groups or new products can emerge. If there is a demand for new products, the industrial federation in that industry could take moves to establish such a group. If there is a group that wants to set up a production group, they could approach the industrial federation, or existing production groups might want the new product to use as an input. Erik Olin Wright describes potential problems with this avenue: “Mostly, I suppose, industry federations will make sound judgments. After all, they have no incentive to block creative, well-thought-out proposals. But they may be excessively risk averse and be subject to other kinds of biases. And, of course, there could be factions, in-groups and out-groups, and other forms of exclusion that marginalize some kinds of projects.”¹³

Perhaps the Consumer Affairs Department has a role to play here. Projects that can marshal significant support from the Consumer Affairs Department and gain backing in neighborhood assemblies and regional congresses of communities can propose the new product as a production request. The organizers of the new production group may be able to gain sufficient backing for their requests for allocation of the necessary inputs.

The prices of consumer goods in the distribution centers are intended to encapsulate the social opportunity costs of producing them, which is why we need to reject a pricing proposal that Marx put forward in *A Critique of the Gotha Programme*. There, he proposed that workers would use their consumption entitlement to buy individual goods, and that the prices of those goods would be equal to the worker hours to produce them.¹⁴

This would lead to a grossly inefficient economy. The social opportunity costs of producing a pickup truck will not only include the actual hours it took to produce it and its parts, but also the social cost of producing the engineering expertise that was used in its design, the ecological costs from the pollutants emitted by parts and assembly plants, and some portion of the cost of means of production worn out in the course of a year's

production, plus other inputs like electricity. There might be two products, A and B, such that the number of worker hours to produce them is the same, but the other social costs for A are much greater. If the prices were the same due to setting the price equal to per unit worker hours of production, this would lead to over-demand and over-consumption of all the social costs that are much greater for A than for B. Thus more of A would be produced than is justified by the actual benefit-to-cost ratio for A.

Money?

Because the consumption entitlement in this case is earned through work, it could be called a “wage” as long as we understand the basis of pay is work effort. Because workers receive consumption entitlement—pay—for work and can use this to purchase products, some might think that we are proposing merely a reformed capitalism or a form of market socialism. Such is not the case. For one thing, worker income is not based on sales revenue from production, nor can production groups shift their costs of production onto others in the community through pollution or other “negative externalities.” Under the capitalist “wage system,” workers are forced to seek work from the capitalist firms and submit to autocratic management regimes. Products made by workers are sold for money revenue, and capitalist firms scarf down as much as they can for profits and expansion. Under the non-profit, worker-managed socialism proposed here, that “wage system” would not exist, even though workers receive a kind of “wage.”

Because the earned consumption entitlement is a numeric quantity that can be used to purchase individual consumption goods, it has one of the key properties of money. But it lacks a fundamental property of money in capitalist society: It can't function as money-capital. Workers might want to save some of their wage income. Perhaps there would be something like a non-profit credit union where people can save or take out loans, which is just delayed consumption. They might want to save for some major purchase—a fishing boat, a piano, or taking six months off for travel, but these savings cannot function as “money-capital.” Money-capital presupposes a certain kind of social arrangement. People with money-capital can use it to go out into markets for factors of production and buy or rent all they need to run a business—buy or rent equipment or buildings, hire workers and managers, and so on. This already implies a class-divided society. This is not possible under the non-market, self-managed socialism advocated here since the means of production are

allocated socially to self-managed worker groups. Moreover, worker production groups could not sell their means of production or the buildings they work in. They have socially allocated use rights over their means of production, not ownership rights.

In the Spanish revolution, there were some villages in rural eastern Aragon that initially abolished money when they took over the land and socialized production. They simply provided a series of goods and services without fees to the various residents. Eliminating markets did enable them to focus on providing food for the CNT's large "proletarian army" that was fighting in eastern Aragon, but not having a unit of social accounting created problems. Veterans of the CNT in the rural region of Aragon were interviewed by Ronald Fraser for his book *Blood of Spain*. They pointed out that people would throw away bread or the peasant farmers would use it as pig feed, because it was free, but bread requires energy sources and skilled labor to produce. Other types of pig feed were available that cost less. According to Macario Royo, a member of the CNT regional committee, "It was tragic for us who had aspired to a libertarian society, but we had to face it. Wastage couldn't be permitted. We had to put a wage on people's work and a price on the products." Saturnino Carod was a former propertyless farm laborer and propaganda secretary on the CNT Aragon regional committee. He became the elected commander of one of the major units in the CNT's militia army. He opposed abolition of money, saying that the problem was that people "confused money with capital." Prices were needed for social accounting, as he constantly reminded rural folk in the village collectives.¹⁵

Against Market Socialism

The form of planned economy proposed in this chapter is based on the dual governance model. The British guild socialists were the first to propose a form of socialism based on this model. The neighborhood assemblies ("ward meetings") would elect delegates to a city-wide congress, which would exist to protect the consumer interest. At the same time, workers would self-manage the industries through their "worker councils."¹⁶ In the World War I era, there was both a large consumer co-op movement in Britain and a syndicalist-influenced radical shop stewards committee movement, which aimed at "workers managing the industries." Guild socialism was developed as a compromise between these two movements.

But guild socialism had two major flaws. Production goals and prices

were supposed to emerge from face-to-face negotiations between the worker councils and representatives of the consumers of the services or products, but their concept failed to develop a procedure that could guarantee accurate prices. Secondly, since there were already the neighborhood assemblies and workplace assemblies that people participated in on their model, the many face-to-face negotiation meetings seemed to suggest too much time would be taken up in meetings.

The Hahnel-Albert “participatory planning” proposal eliminates both of these flaws. No face-to-face negotiation between consumer representatives and worker representatives takes place in the “participatory planning” model. Rather, the non-market price system takes account of projected demand and projected supply from the plans devised by both community organizations (neighborhood assemblies, congresses of neighborhood delegates) and the worker production groups, which generates a price schedule. The various groups then adjust their own plans to stay within budget. The worker production groups do not have face-to-face meetings with consumer representatives, as they are not necessary. The worker organizations simply focus on their own production activity and their workplace decision making.

When workers in a production group develop their plans, they are planning out their own “self-activity” as producers. Of course, their production group will survive only if the benefit their work provides to the community justifies the costs they incur, as I’ve described above. But they do not need to hold face-to-face meetings with consumer representatives to work out their own “self-activity” plan.

Many market socialists complain that an economy based on self-management and assembly democracy at the base would lead to “an oppressive tyranny of meetings.” Very often it seems that the real objection of the marketizers isn’t about a non-existent proposal of face-to-face meetings of consumer and producer representatives. Participatory planning is designed precisely to *avoid* that. What the marketizers may be objecting to is the power of workplace assemblies and self-management of the labor process by workers, and direct participation in planning for public services through the neighborhood assemblies and community-based congresses.

The thing is, working people cannot actually control the decisions that affect them if they do not have the means to deliberate together and make the decisions. Worker control over the labor process and the work

organization can't happen without the direct democracy of assemblies to make collective decisions at various points in the course of the months and weeks of work—plus the election of coordinating councils of revocable delegates who oversee the process of production.

Direct participation of the masses in the planning of the public goods and services they want is also very important to the “social” character of socialism. Despite criticizing the Hahnel-Albert participatory planning proposal on a number of points, Erik Olin Wright sees direct participation of the masses in planning of public goods and services as very important:

Public goods planning at whatever level . . . requires public deliberation: meetings, debates, bargaining, formulations of plans for specific projects, etc. Participatory planning of public goods—at the neighborhood level and beyond—will be a critical feature of a post-capitalist, democratic-egalitarian economy, especially because it is likely that the balance between private and public consumption will shift considerably in the public direction. Planning such public goods in a deeply democratic way, however, will be arduous, not simple, because it is unlikely there will be a smooth consensus over the balance between household consumption and public goods or over the specific mix of public goods. This will raise the Oscar Wilde problem of socialism taking up too much time, but it is worth it.¹⁷

A basic objection to market socialism is that it tends to empower the bureaucratic control class to run the operations on a day-to-day basis. This is in fact what we see when we look at the Yugoslav “self-management” experience or the experience of the Mondragon cooperatives. Market socialism has a labor market. People with scarce skills and expertise that would be important to the survival of a cooperative or socialist firm in a highly competitive economy will have the bargaining leverage to not only demand far higher wage compensation than manual workers but they can also demand control over the decision making. As Sharryn Kashmir’s book *The Myth of Mondragón* shows, workers do not actually have day-to-day control over the work in the Mondragon cooperatives. There is a corporate-style division of labor with the professionals and managers in charge.¹⁸

The form of market socialism that existed in Yugoslavia also exhibited the tendency toward increasing inequality and power for the managers and professionals. Workers were not trained more broadly and often lacked the information or confidence to challenge management. On the elected

councils they might push proposals about vacations or wages but not challenge management on the work organization. Another reason for this is that the professionals and managers tended to be over-represented on the worker councils. Although re-election was not allowed, the delegates tended to form cliques to get re-elected to some new position.

The professionals and managers tended to strongly push for the technologies and methods of western capitalist countries, as a result of the highly competitive nature of the system and the possibility of gaining higher income through greater productivity. This led to problems of speed-up and layoffs. The benefit of increasing labor productivity was captured by the remaining staff in the firm, which tended to create major problems of unemployment in Yugoslavia. The fact that wage inequality and arbitrary management power were problems is shown by the many *illegal* strikes over these issues. Thus workers continued to be subordinate to the bureaucratic control class, despite the claims of “self-management.”¹⁹

There tends to be a blind spot about the bureaucratic control class with market socialists, like Bhaskar Sunkara and David Schweickart who don't seem to recognize the existence of this class as one that dominates workers. If you examine the curry sauce factory example in Sunkara's *The Socialist Manifesto*, this is clear enough.²⁰ You have a standard capitalist-style division of labor with narrowly defined jobs like “custodian” and “labelers” and various levels of managers. And Sunkara's managers would make three or four times what the grunts would make. The various competing firms in Sunkara's model are also balanced with the usual statist planning projects, since market socialism also requires the continued existence of the top-down bureaucratic state. For one thing, market socialists have zero solution for the ecological devastation from the cost-shifting of competing firms other than statist regulation.

The capitalist elite in the United States are the most powerful ruling class in history. To have a chance of getting rid of them requires organizing a very intense and widespread movement, deeply embedded in working class-communities, and with rising strikes and other disruptive struggles—building greater cohesion and solidarity and “class consciousness” over time. So, is Sunkara supposing that, having carried out a revolution with an intense level of class solidarity, workers would want to be pitted against each other, atomizing their power in competing firms, and all so as to work as low-paid grunts under members of the bureaucratic control class? This is

absurd. Indeed, it's "nonsense on stilts," to use a favorite phrase of David Schweickart.

I think we can summarize the syndicalist case against market socialism this way:

- A working-class movement for revolutionary change, built on the basis of intense solidarity, will be unlikely to favor pitting workers into competition with each other—and violating the industrial unionist principle of "taking wages and conditions out of competition."

- Market socialism inevitably tends to empower the bureaucratic control class as an oppressor class over the working class. In market socialism, there is a labor market. Coming out of capitalism, people with marketing and engineering and management experience will have leverage to gain high wages and privileged decision-making power unless there is a program to break the power of the bureaucratic control class (which is quite lacking in market socialist proposals).

- As a market-governed system, market socialism will also have the problem of cost-shifting behavior that drives ecological destruction. Statist regulation is not a solution, as the state has no way to determine an accurate estimate of environmental costs and will tend to favor powerful industrial groups. Given the vast crisis for humanity, posed by market-driven ecological devastation, why should we favor a socialist economic proposal that can't solve this problem?

- As a class-divided system, market socialism is bound to generate a lot of economic inequality, but it is not likely to be as extreme as under capitalism—though is still a problem. And how does market socialism deal with long-standing patterns of racialized and gendered inequality?

- Market socialism still requires a powerful, top-down bureaucratic state, which will provide an additional power base for the bureaucratic control class. Because public sector workers are subordinate to bureaucratic managerialist hierarchies, class oppression is built into the very structure of the state—and thus continues under "market socialism."

Housing and the Self-Managed City

If we look at how our program for moving toward self-managed socialism might work for housing and the evolution of the built environment, I think it can help us see how the program might be applied in an important area of social life.

At present, the capitalist real estate sector in the United States has shown that it is incapable of providing the working class with housing they can afford. Rent strikes in Los Angeles in recent years are a symptom of the housing crisis that grips urban areas to varying degrees.²¹ With the American working class at stagnant wage rates for years, developers and banks tend to focus their construction for the highly paid professional and managerial layers in urban areas. This is where the profits are.

The neo-liberal solution for the affordability crisis is to lower costs—break unions in construction, ease up permitting by city authorities. Even if they could lower costs for the developers, they would not pass on the savings to buyers or renters; they'd take these gains as higher profits. The other neo-liberal tactic is up-zoning to build more density and taller buildings. But these tactics will not change how developers, banks, and housing finance work. Developers won't be able to build an unlimited supply of housing, or even build to a point where prices will drop substantially. If rents or housing prices do start to decline, the banks will pull the plug. The profit projections depend on the rents that can be extracted or what the condos can be sold for after the construction is done. Developers might still buy land for future projects but they'll sit on it until they see a resurgence in the market. Thus the capitalist real estate industry is failing to provide housing that working-class people can afford.

The real estate market in the United States also has its ecologically destructive consequences. A dispersed, auto-oriented land-use pattern is another way the inherent cost-shifting of capitalism works—creating high levels of gasoline consumption that contribute to global warming. Thus our program for the evolution of the built environment needs to look at the way housing ties in with local services and public transit. A more compact pattern of housing can be combined with local presence of services such as childcare centers, distribution centers with a wide variety of products, gyms, eateries, and community social centers. When a wide variety of services are within walking distance of housing, people can carry out more activities without having to drive or take public transit. A program of this sort would help to evolve the land-use pattern in a more ecologically friendly direction.

But how should we think of a socialized construction and housing sector? I've already discussed the expansive role of the neighborhood assemblies, the regional and Social Federation-level congresses of delegates from the neighborhoods, and their various roles in areas such as planning

health care and educational services, consumer protection, and ecological defense. My proposal is for all planning for the housing sector to be taken over by this same communal organization throughout the urban region.

In this case it may be useful to look at an earlier socialist housing program we can learn from: the housing program of the “democratic socialists” in Vienna in the 1920s. The housing program was part of the “slow revolution” of the Austrian Marxist “democratic socialists.” Because Austrian manufacturers had to compete on the international market, unions had a hard time getting wage gains, so the labor movement decided they would work at lowering the cost of living. Various union officers were elected to the city council, which passed a series of taxes on property income and a 4 percent payroll tax. The right-wing national government denied the Vienna city council any eminent domain powers. The city simply went out onto the land market and bought up sites. Because the city had passed a strong rent-control law, it restricted land values. No new private construction was occurring to compete with city land purchases.²²

The city “ate” all the costs of land acquisition and housing construction, and none of these costs were passed on to residents in the new city-built housing. Residents were only responsible for the maintenance and utility costs. At that time, working-class households in Vienna had to make do with very cramped and expensive housing from the private landlords. The new housing program reduced the out-of-pocket expenses for housing by 80 percent.

An important feature of the Vienna program was the total assumption of construction costs by the society—not dumping these costs onto residents in the form of rents or mortgages. Under both government and non-profit social housing in the United States today, bank financing is typically used—for acquisition loans, construction loans, and mortgages. As such, rents charged to the residents (or mortgages for cooperatives developed by social housing organizations) mainly exist to pay back the banks.

My proposal is that we completely do away with the role of interest payments to banks for loans in housing. When the neighborhood assemblies and the congress of city-wide neighborhood delegates work up their proposals for housing construction, all of the costs of construction would be normally covered by the public goods and services budgets over a period of years. In other words, construction of major investments—such as

a subway line or a new area of some hundreds of houses—would “borrow” the cost from the whole society and this would be charged off—amortized—in the public goods and services budget over some years. Not all of the production work of a society goes into things consumed this year. We also put a portion of the total social production work into sustaining or changing the society’s productive capacity. Construction of public goods such as a subway line or building hundreds of new houses are forms of investment. The subway enhances the population’s easy accessibility to various parts of the urban expanse. And construction of dwellings enhances the society’s ability to house people. Thus long-term investment planning is somewhat different than the community’s planning about the provision of services for the coming year but also has to be a part of the social planning process.

The congress of neighborhood delegates for an urban region might have a Housing Department—a staff association that helps with working up plans for housing construction and evolution of the built environment in the urban region. Once the urban congress and its Housing Department have come to agreement on a plan for a particular site, they can issue a “request for proposals.” The elements of this plan would include things like the proposed mix of housing units, desired finishes, and environmental concerns, and any space provided for other social uses such as a childcare center, grocery or community center, etc. Attached to the plan is the proposed budget for the project, made by the Social Federation’s Price Information Department, which will have analyzed the plans for public goods and services to obtain an accurate schedule of current prices. This includes the various materials, parts such as window assemblies, appliances, and so on proposed for the housing project.

At the same time, a design-and-build construction worker organization may respond with its proposal for building the project. When I describe this organization as “design and build,” I mean they have all the capacities and skills needed for all the required work—from architectural design, structural engineering and site planning to doing the various aspects of the physical work. Having all the different skills and forms of expertise in the same industrial organization can help to facilitate job balancing in the construction industry. A carpenter with some design talent could study architecture and do some design work as part of his month’s work, along with carpentry. This is not a far-fetched idea; when I lived in San Francisco,

I owned a row house that had been built in Italianate style in 1889. The house had been designed and built as part of a large clump of row houses by a German carpenter.

Normally the distributed, “participatory planning” system does not require direct negotiations between production groups and the consumers or their representatives, such as the community organizations that work to defend consumer interests. With housing, there may be a reason for negotiation with builders to take place. When a Housing Department and regional congress have developed a plan for a group of new dwellings, they might want to recruit a group who would like to live in these dwellings. That group of future residents could then work with the construction organization to customize the dwellings. An experiment of this sort in Baja California is described by Christopher Alexander in *The Production of Houses*.²³ The individual families had different desires. Some couples did a lot of entertaining of friends, and their dwellings were designed with more space in the front of the house—the living room and dining room. Other couples wanted to provide more space for their children. More of the space went to increasing the size of the kids’ rooms. Some individuals were able to obtain a larger dwelling by contributing free construction labor to the project.

Normally, the allocation of the dwellings might depend on need—larger dwellings to larger households, for example—but if a person has some significant savings, they might be able to get a larger dwelling if they contribute their savings to the budget for the project. Once the residents move in, the dwelling is “theirs.” They can modify it—of course within the limits of whatever social rules apply. The local community may not allow someone to run an alcohol dispensary from their garage, as under current zoning rules. A couple who have another child may choose to add on a new bedroom. If a household makes major improvements to a dwelling, they may make an arrangement with the local neighborhood assembly or Housing Department to be compensated for these improvements when they move out. This might go into their savings for some major purchase down the road. At the same time, the Housing Department may ask for a security deposit when people move in, to make sure people have an incentive to properly maintain the dwelling. If a household has lived in a dwelling for a long time, an elder might make an arrangement with the neighborhood assembly or Housing Department to transfer the house to

one of their children or grandchildren when they die. These are just some suggestions. The point is that a socialized housing program needs to accommodate a wide variety of needs and desires of the population.

When a family moves out of a house, they would normally just give the keys to the Housing Department and the dwelling goes onto the list the Housing Department maintains of all available dwellings. People looking for a house can simply search the lists of the Housing Department for a new place to live. Socialization of housing means that dwellings are no longer commodities to be bought and sold on speculative real estate markets.

Control over housing construction and the evolution of the built environment is part of the population's self-management of their city. I've imagined a fairly broad scope of responsibilities to the neighborhood assemblies and the congress of neighborhood delegates—development of plans for housing and other construction, planning for the various public services, defense of consumer interests, and work at defending the community against pollution and for defense of the ecological commons in general. We could envision this aspect of the socialist program as the result of the aims and struggles of numerous social movements that work in an alliance with the grassroots union organizations during a period of major social transformation—such as the renter, environmental, and climate justice movements.

Socializing Political Power

A key task the working class must accomplish in a period of social transformation is the breaking down or dismantling of the state. Taking over the various industries and establishing worker self-management of production is a central task, but changing the system of political power in society is equally important. A society must have a way that basic rules are decided and enforced. This is the core of the governance system of that society. Breaking down the state means changing the governance system so that the formerly oppressed majority gain control over governance. Just as the economy is socialized through institutions of self-management, political power also needs to be socialized.

Thinking of socialism as building power for a political party through the state will lead to power for the bureaucratic control class, as party politicians or the party apparatus, or as managers and high-end professionals in a corporate-style hierarchy sit over workers. To prevent this,

the working-class mass organizations must build political power based on workers and their assemblies, and organizations in production. This is where the worker congresses come into play. I would see the regional and Social Federation-level worker congresses as akin to a legislature, having the power to craft a new charter for society and set out the division of powers of the various organizations. But what about the geographic neighborhood assemblies?

As Erik Olin Wright suggests in his dialogue with Robin Hahnel, the neighborhood assemblies and regional congresses of neighborhood delegates are not just about “consumption” but also can be thought of as having a “civic” or governmental role. This is akin to proposals of the Spanish anarcho-syndicalists of the 1930s. The Friends of Durruti group were insistent that the “free municipalities” (based on the neighborhood assemblies) were a form of “political power.”²⁴ Wright’s argument: “There might still be a role for government around certain kinds of rulemaking and rule enforcement such as speed limits or accurate reporting of pollution discharges to the planning process.”²⁵

Wright refers to “civic public goods” such as meeting places or the role of the mass media, but it’s not clear why the legislative and “civic” roles need a separate state structure, as he maintains.²⁶ The regional delegate congress is a bi-cameral body that is capable of playing the legislative role for governance in that region. As Wright says, the mass media also has a political role. My solution for the mass media would be to regard it as a part of the public goods and services budget. But the regional congress of neighborhood delegates, in this case, would only decide the total budget for the information and entertainment media sector. Media worker groups might every year prepare a prospectus of what they propose to do. A vote of the residents of the region could be conducted with people assigning their share of the total media budget to whatever group or groups they wish. Media groups would then receive funding in proportion to their share of the vote. Paid advertising could be prohibited for the media groups that are publicly funded in this way.

In the dual governance model I have described above, the neighborhood assemblies and congresses of community-based delegates have a major role in charting the direction for public goods and services through the deliberation and decisions about the types of public goods and services that will be on offer. I’ve also suggested an element of governmental power in

their ability to initiate a decision or referendum on the tax rate, which determines the division between personal consumption goods and public goods and services. Moreover, instead of the statist regulatory agencies of the present-day State, this role is played by the scientists and researchers who are part of the various staff organizations that assist the neighborhood assemblies and congresses of community delegates in their work of consumer and ecological defense. As well, it is the neighborhood assemblies and the congress of community delegates who exercise “social ownership” in regard to access to, or use of, the ecological commons. But they have no power to impose a managerial regime over workers in the industries or public services. This is what I mean when I say the dual governance model proposes a “division of powers.”

But what if the congress of neighborhood delegates tries to appoint managers to rule over workers in the public services? The workers’ congress is there to prevent any power grab of that sort (along with the industrial federations and unions). Its job is to defend the worker power in social production. All industries—including all public services—are self-managed by their workers. At the same time, the geographic congress of communities has control over use of the ecological commons, and thus can block polluting activity by production groups, forcing them to internalize their environmental costs on their budgets. This suggests that we regard the regional and Social Federation-level congresses as bi-cameral, based on a division of powers.

In the case of the Spanish revolution, the struggle over political power played out as a fight over control of the social self-defense function. The civil war there began when, in a large part of the country, the union militias defeated the army, with the backing of some sections of the military—such as a large majority of the air force and navy personnel. The various left-wing parties then tried to build their own militias. But this led to a major problem of a lack of coordination among all the union and party militia forces. There was then a major conflict between the Communists and the CNT over the solution to this problem. The Communists proposed to rebuild the shattered Republican state with a conventional top-down army and police, controlled from above by the State. The radical “unions-need-to-take-power” wing of the CNT proposed a competing solution: Replace the Republican government with regional and national defense councils controlled by the CNT and UGT—to run a unified People’s Militia with a

unified command. The pro-capitalist Republican parties would be excluded.

Thus, the radical syndicalist wing of the CNT supported the unions “taking power.” To do this in Catalonia would have meant overthrowing the regional state and invoking the election of a worker congress from the union and workplace assemblies—to chart a new course for the region and establish a system of economic planning. They also supported direct election of the proposed regional defense councils from the assemblies. In September 1936, the village CNT unions in the rural area of eastern Aragon did in fact “take power” through the election of a defense council. The election was organized through the village assemblies. The CNT elected a majority of the delegates and the Socialist Party’s UGT union elected a minority.

For the CNTers, the national and regional defense councils were seen as worker-elected civilian delegate committees to direct and oversee the social self-defense function—militia (army and police), popular tribunals (to replace the elite judiciary), and prisons. But the defense councils were to not have any control over the various industries, which were to be self-managed by the workers.

The worker congresses are large meetings of delegates that hold sessions every so often, and drawn from a region of some size. In my proposal, the bi-cameral regional and Social Federation-level congresses would have the equivalent of legislative powers. Moreover, the social self-defense organization requires buildings and production of weapons and so on. These would go as requests onto the Social Federation’s budget for public goods and services. But the defense council would exercise continuous oversight and control of the self-defense functions on a day-to-day basis. We can regard the worker congresses (and elected self-defense council) as forming the aspect of governance created by the mass worker organizations to achieve worker political power—a “worker’s government”—and to protect against the potential for renewed subordination of workers in production. If the working class is to prevent some dominating class from emerging at the top when the smoke clears, the working-class mass organizations—unions and workplace-based delegate bodies—must maintain direct control over the dominant armed power in society. If the bureaucratic control class were to gain control of the police and military functions, I fear they would use this power to attack worker control of production.

The danger here is illustrated by the course of the Spanish revolution. The strategy of the Communists was to organize among small business owners, landowners, and professionals (such as lawyers and bankers)—groups who feared the proletarian revolution underway in Spain. The Communists used their coalition with the middle-class Republicans and social democrats to gain control of the army and police. The Communists then used these forces to seize and nationalize various industries run by the workers. The telephone company in Spain had been expropriated by the CNT National Industrial Federation of Telephone Workers who were running the telephone system. In May 1937, the Communist-controlled police engaged in coordinated attacks on telephone exchanges throughout the anti-fascist zone, to seize the telecom system, which provoked a general strike in Barcelona and four days of fighting between the police and an alliance of libertarian militants from the unions, union self-defense committees, *Mujeres Libres*, and others.

Another industry that was important to CNT influence was the motion picture industry, expropriated by the CNT entertainment workers union. Going to movies was popular during the civil war. Although the CNT-run theaters mostly showed Hollywood films, they also played the documentaries and newsreels produced by the CNT motion picture production organization—important in providing a pro-CNT slant on the struggle. In 1938, the Communist-controlled police attempted to seize this industry, provoking a desperate strike.

And so, our aim for building socialism should not be to rely on a “workers party” in state power but power for the working-class mass organizations—unions and other mass organizations that are part of the social movement alliance that forms the counter-hegemonic bloc for change. In previous chapters I discussed the way the existing social movements engaged in struggles along the various fault lines in society can come together with self-managed worker-controlled unions to “coalesce their forces” through the development of an organized alliance—or front—where the various sectors share their concerns and work to develop a common agenda for social transformation. As this gets worked into a program for social re-organization, the concerns of various movements around issues like housing, environmental justice, police brutality, and climate change are reflected in the program. In the “dual governance model,” the neighborhood assemblies and assembly-based community

congresses provide a base for the concerns of housing and ecological groups to be worked out in real time. The development of a “green” or eco-syndicalist tendency in the labor movement helps to gain ground for ecological concerns to find support in both the workplace and neighborhood organizations that are established to control the system of social production.

The top-down managerialist bureaucracies are central to the modern state, and as such the state is a power structure “estranged” from the masses (as Engels put it), and that subordinates workers in the public sector. Kropotkin said that we need to re-build governance so that it is more akin to “the folk-mot form of government.”²² Here Kropotkin harkens back to the ancient practice of holding an assembly (“folk-mot”) of residents to make decisions in horticultural or fishing villages. The model I have proposed does rebuild governance on the basis of the face-to-face democracy of assemblies (in neighborhoods and workplaces). The workplace assemblies also elect revocable delegates to various bodies (a coordinating council for their facility, conventions of the industrial federations, and regional and multi-regional worker congresses). The delegates to the congress go back to their regular job after congress sessions. They share circumstances of life with their colleagues.

Moreover, the idea of delegate democracy is that these individuals are also required to report back to the base assemblies, and can be removed at any time. And the assemblies would retain the power to over-rule decisions made by delegate councils or congress sessions—referring decisions back to a discussion and referendum in the base assemblies. Workers in the public services and other industries have the power to self-manage those industries; they are not subordinated to managerialist bureaucracies, appointed from above. Thus my “dual governance model” here is a form of government but is not very state-like. States have top-down managerialist bureaucracies, and the political leaders are not subject to very tight control by the base. This is necessary if the state is to perform its basic social function of defending the interests of some dominating class that exploits the immediate producers.

A process of social transformation that can liberate the working class from subordination to oppressor classes needs to make sure that the new institutions, built by the mass movement for change, empowers democratic worker mass organizations to self-manage production and to directly control whatever armed power continues to exist for the enforcement of the

social order and its rules. This is what revolutionary syndicalism aims at.

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