

# An exchange on socialist planning

4 March 2000

*The following is a letter from a reader about socialist planning and a reply from World Socialist Web Site editorial board member Nick Beams.*

Dear Editor of WSWs,

Operating socialism. Your web site seems to me to keep trying to bring workers up to the fence, but doesn't explain what is on the other side! In other words, your analysis of all that is wrong with capitalist globalization, as distinct from the merits of globalization itself, is highly perceptive and informative. Socialism emerging from worldwide united struggle of workers is always being recommended. Could you offer an explanation as to how you imagine that socialism can be operated? How can interacting groups of socialist-minded workers all over the world reach agreement as to a vast single global plan for production and distribution? How can workers assess and quantify the requirements of society, if market forces, with all their inadequacies, are not to be the criterion? I am no expert, but it seems to me that we have yet to substitute a science of a socialist way of running society for socialism as a token dream or mystical panacea. If workers can see socialism as a practical proposition, maybe more will be inspired to strive for it. Explaining that Stalinism was not socialism is important, but we still need to be able to visualise socialism as a viable method.

Yours sincerely,  
DT

27 February 2000

Dear DT,

Thank you for your e-mail on the question of "operating socialism".

Let me say firstly that it is not a question of me or anyone else setting out some kind of blueprint for a socialist society which would then be put into practice. Rather, the socialist society of the future will emerge from the collective experience and practice of millions of people. It will not be the implementation of a

blueprint drawn up by one individual or a group of individuals.

Having said that, however, it is clear that some general principles and tendencies of development can be established. In the third part of the series of articles "Marxist internationalism vs. the perspective of radical protest" I attempted to show that the foundations for the establishment of a planned socialist economy were already being laid within the capitalist economy itself.

Vast transnational companies, many of which are larger than the economies of entire countries, already organise their activities according to a plan. If it is possible to plan production in such organisations, then it is intrinsically possible to organise a planned economy.

You then raise the question as to how workers can "assess and quantify the requirements of society, if market forces, with all their inadequacies, are not to be the criterion?" Under capitalism, firms respond to the directives of the market in order to acquire profit.

Under socialism, production would be planned and organised to meet the needs of society and its members. Initially, of course, the market would continue to operate. But increasingly the development of a socialist economy would see the replacement of the market through conscious planning and social regulation of production.

This would take place through the development of the widest forms of democracy. The establishment of a genuine democracy would see all members of society continuously involved in the development of the economic plan, its revision and correction, and its implementation, as part of their daily lives.

How could such a form of social and economic organization be implemented? Marx once wrote that "if we did not find concealed in society as it is the material conditions of production and the corresponding relations of exchange prerequisite for a classless society, then all attempts to explode it would be

quixotic” (Karl Marx, *The Grundrisse*, p. 159).

Where are we to find in society as it is the material foundations for the development of the necessary mechanisms and information systems which would make possible the development of economic planning and the progressive replacement of the market as the organizer of economic life?

They are to be discovered, Marx explains, in the institutions and organizations of the world market itself.

“Since ... the autonomization of the world market (in which the activity of each individual is included), increases with the development of monetary relations ... and vice versa, since the general bond and all-round interdependence in production and consumption increase together with the independence and indifference of the consumers and producers to one another; since this contradiction leads to crises, etc., hence, together with the development of this alienation, and on the same basis, efforts are made to overcome it: institutions emerge whereby each individual can acquire information about the activity of all others and attempt to adjust his own accordingly, e.g., lists of current prices, rates of exchange, interconnections between those active in commerce through the mails, telegraphs, etc.” (Marx, *op cit* p. 161).

Consider from this standpoint the activities of the stock markets and the other institutions of world capitalism. They supply a constant stream of information which forms the basis for the taking of economic decisions. It is entirely possible to conceive of a society where this information, rather than reflecting the movement of money and capital, would give expression to the decisions of the members of society. In other words, instead of a stock exchange, reflecting the movement of capital, a socialist society would have institutions which recorded the collective decisions of members of society and their implementation.

In the present society workers plan and organise production on the basis of information provided through the market. It is clearly possible for these same workers to plan and organise production on the basis of a democratically determined plan, with information on changes and variations communicated through the systems already developed under capitalism, only now adapted to meet human need and not the dictates of

profit.

Yours sincerely,  
Nick Beams  
29 February 2000



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