



SOCIALISM — WHAT NOW ?

THE meaning of socialism has never been perfectly clear. Certainly the attempts at precise definition—framed of necessity in abstract jargon—have usually concealed more than they have revealed. To different people socialism has conveyed different things. To the popular mind it seems to have meant little more than virtual overall nationalisation; to the intellectual it probably meant, in the main, the deliberate planning of economic processes, of supply, demand, employment and prices, by the state; to the social moralist, the equalising of wealth, income and opportunity; to the businessman, the annihilation of free enterprise. Even socialist thinkers themselves have embraced widely diverse brands of the common faith.

But, at the present time, the meaning and ultimate purpose have become more obscure than ever. For traditional socialism seems to have reached the end of the road and nothing concrete has yet been constructed to take its place. The intellectuals of the movement are busily engaged in searching for a new middle-20th century expression of socialist doctrine. Even the socialist practitioners—politicians, for instance, of the Labour Parties in Britain and Australia—are in complete confusion about their aims. Having run dry of constructive ideas, their role has become destructively critical. Only the extreme left-wingers—the Bevanites in Britain and the “Eddie Wards” in Australia—still cling obstinately to the old dogmas of the class war and public ownership. And while it would be dangerous to discount the influence of these sections on the policies of their parties, particularly if the economic weather should become stormy, they are in a minority at the moment.

In the socialist camp all is confusion.* Uncertainty and disillusionment prevail where, not long ago, everything was apparently divinely and comfortably simple and straight-forward. Socialism no longer offers to its adherents a clear-cut political programme, a definite set of objectives, and an unquestioning faith.

What accounts for the transformation ?

THE socialist forces are now confronted with a position which all political parties based on a more or less rigid philosophy reach at some time or other. The traditional ideas outlive their usefulness. They cease to be relevant. The facts of the political world pass them by. The old familiar catchcries no longer arouse any enthusiasm among the voting masses. Their political programmes, in the words of the popular song, become pushed just about as far as they can go, and the lines of the next advance cannot be clearly discerned. Something new and fresh in political doctrine and policy is needed. What shall it be? A lot of hard, fundamental thought and a great deal of painful soul-searching is unavoidable. The socialists today seem to be in the same unenviable plight as were the anti-socialists ten years earlier, in the closing years of World War II.

Nationalisation, once a central socialist idea, and the one that aroused the most enthusiasm, has been tried on a large scale in England and Australia and found wanting. The early socialists believed that the substitution of public ownership for private profit-making would solve all problems. It would lead to greater efficiency; it would solve the problems of labour relations; it would give the workers a real sense of participation in in-

*We are referring, of course, to long-run doctrine.

dustry; it would transfer the control of industry from private capitalists to the people themselves.

Experience has shown that it does none of these things. The large experiments in nationalisation introduced by the British Labour Government since 1945 have been anything but an unqualified success. They have created a whole host of difficulties that were not foreseen at the time of their introduction. They have not been notably efficient. In fact, a recent article in "The Economist" stated that: "The lesson of the past six years is that, in itself, it (i.e., nationalisation) promotes inefficiency." The labour relations of the nationalised industries have stubbornly refused to comply with the happy state predicted in the socialist textbooks. (In Australia most of the big strikes since the end of the war have occurred in the publicly-owned utilities.) Top management has proved to be even more inaccessible and remote and unknown to the large body of workers than in the big private concern. **Large-scale, indiscriminate nationalisation no longer commands strong support among the voting public; nor, indeed, does it light the fires of enthusiasm in the socialist camp itself.**

Traditional socialism stood for the "planned economy". But the economies of England and Australia and of free enterprise America are now consciously guided by governments towards the objectives of economic stability, full employment and "fair shares".

The socialist aim of equalising incomes has been realised in both Britain and Australia. Indeed it is impossible for any fair-minded person to see how it can be pursued further without entirely destroying the inadequate incentives to progressive enterprise that are all that now remain in Britain and Australia.

Traditional socialism called for the establishment of a National Minimum—a basic standard of living to which all citizens were entitled as a right. Through the large-scale extension of social benefits and services in the postwar years (by no means all of which were the products of socialist governments—for instance, child endowment in Australia), a practicable minimum has now been secured.

In short, many of the key objectives of socialism are now part and parcel of the modern economic and social order. Others, such as nationalisation, have brought doubts and often disillusionment and no longer command wide public support. **On the face of it there is not much left for traditional socialism to do.**

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MUCH of this is recognised in a remarkable book, "Socialism: A New Statement of Principles", recently published in London. The book is the joint product of leading socialist thinkers, and its basic ideas receive the endorsement of Labour politicians of the standing of Mr. Attlee and Mr. Jim Griffiths, and of Mr. Morgan Phillips, the Secretary of the National Executive Committee of the Labour Party. Gone is the old uncompromising certainty and dogmatism and much of the fervour of the early, and even of some of the postwar, socialist textbooks. "Reforms which were once a vision are now reality. Measures once advocated only on propaganda platforms . . . are now proud features of our national life. But despite our successes—or perhaps because of them—we are conscious that the society we hoped to build still eludes us." (Perhaps it was always an illusion!) "The easy confidence of the past is gone and our way forward is beset with uncertainty. It is not only that we hesitate whether this or that measure should feature in the next election pro-

gramme. We are reconsidering the very fundamentals of our faith."

Here the uncertainty and the doubts—one might almost say the wavering faith—of the modern socialist in his own, once passionately-held, creed are frankly admitted. Nationalisation, as a central article of faith, is repudiated and its limitations recognised. "It does not, by itself, remove from those employed as manual workers the feeling of being on 'the other side'. . . . Many of the benefits which were expected naturally to flow are not attained unless further action is taken. The recognition of this new problem has called forth a new slogan: 'Nationalisation is not socialisation'. This slogan is as good an indication as any of the mood of our times. It expresses the uncertainty that reigns concerning the form of organisation really desired."

And what of the socialist's traditional belief in state control and planning? Again there follows something which comes perilously close to the toppling of another key pillar of the socialist faith. "Their earlier beliefs usually led socialists to struggle for an increase in the powers of the state. Today we are less certain. Do we want more or less state action in the social services? . . . we are all becoming aware that the concentration of economic and political power in the same hands may be a threat to the freedom and independence of the individual." The socialist has taken an uncommonly long time to wake up to this danger. It has been apparent to, and feared by, the non-socialist for some decades. "His (i.e., the individual's) very existence becomes more and more dependent upon forces which, by their nature, are inclined to sacrifice him for the sake of the 'collective good'." No! this is not Professor Hayek or some other apostle of the Right.

Not the least astonishing part of this book is its deep concern with the threat

of "the centralisation of power, the spreading intervention of the state" to the integrity of the individual. These new tendencies, it affirms, are "as much a challenge in their own way as capitalist exploitation". Apparently the bureaucrat, the expert, the state controller, once much beloved of the socialist, is replacing the old-time capitalist as the "big bad wolf" in socialist doctrine. A transformation indeed!

The inescapable need, under today's circumstances, for higher productivity calls for a further drastic readjustment in socialist thought. "In the past socialists were concerned mainly with the distribution of income. . . . Since 1945 they have been compelled to preach the need for greater output. . . . The leadership has had to wage a battle against the conservative elements in the ranks who still find it difficult to grasp that it is no longer sufficient to 'soak the rich'."

Cold water is thrown on the doctrine of the class struggle. (Over goes another pillar of the faith.) The book recognises that there are good and bad in all classes and members of the privileged classes have played an important part in the struggle for a better society. "Classes cannot be divided into sheep and goats. Even if they could, to pit class against class in the end leads to a naked struggle for power and advantage, destroying the very values which socialists most wish to uphold."

But the most surprising thing of all is yet to come. There is really, we are told, no final state of society which can be labelled "socialism." "There is no accepted institutional blueprint called 'socialism'." The socialist system is a myth. The essence of socialism lies in ideals, and these ideals cannot be realised by changes in institutions, but only by changes in human attitudes and relationships.

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ONE would never have thought to have seen the day when a group of influential socialists would virtually demolish one by one the main articles of their traditional faith—the dogma of the class struggle, the panacea of nationalisation, the centralisation of power in the state, the establishment of the ultimate, inevitable Socialist Commonwealth.

All this must have been exceedingly hard for socialists to think, and harder still to proclaim. It is to the strong credit, therefore, of the authors of the booklet that they have been able to break the fetters of the old ways of thought and to state in frank and courageous terms, for the edification of politicians and the rank-and-file supporters of the movement, the need for a completely fresh approach.

This is a profoundly important book. It does not solve the problem confronting the socialist political parties for a new political platform relevant to the requirements imposed by modern social and economic conditions. But it does accomplish the neces-

sary preliminary task of preparing the ground. It clears away a lot of the useless mumbo-jumbo, many of the outworn prejudices and dogmas which have cluttered up and befogged the minds of dyed-in-the-wool socialists and prevented them from seeing clearly the real problems with which the modern economy has to contend. The recent conferences of the Labour parties in Britain and Australia and recent utterances of their leaders reveal that they are almost bankrupt in the matter of realistic policy. Perhaps this book will be a first step towards making them solvent. Certainly all true democrats will hope so.

BUT, in the meantime, the now discredited dogmas of traditional socialism—discredited, as we have seen, even among leading intellectuals of the movement itself—may continue to offer a threat to economic sanity and to efficiency, enterprise and freedom in economic affairs. For the present therefore, it would be dangerous to regard old-time socialism as a spent force.

