
Is Socialism Finished?

Bob Carr

In a speech to the Fabian Society earlier this year, Bob Carr, the Minister for Planning and Environment in the New South Wales Labor Government, argued that socialism has “run out of steam”. Bob Carr’s speech may well mark a turning point in Australian political thinking. The speech was delivered by a senior Labor Minister to a society which has had a vital role in promoting socialist thought.

The salient characteristic of socialism is its lack of popular support.

This is true in states like the USSR where, one observer has written, it is impossible to inject a discussion of Marxism-Leninism into a conversation with ordinary people without generating explosions of disbelief, rather as if someone in a Leagues Club started talking evangelical Christianity.

It is also true in western democracies, Australia being no exception.

This is, of course, remarkable. Socialism has been around for 150 years and socialist parties have run states for up to 69 years in the case of the USSR. It is no longer an untested ideal. As Tom Wolfe wrote recently, socialism has been the subject of a field experiment for 69 years and the results are there for everyone to see.

Socialists have had numerous forums and the most articulate advocates, sometimes a disproportionate share of the opinion elite or intelligentsia. They have had opportunities to popularise their message during two world wars and a Great Depression in which up to one third of the workers in western countries were spilled into the degradation of joblessness. But, even then, they never converted a majority of people, even a sizeable minority, to the idea of a radical revision of society along socialist lines.

The working class have been the great disappointment of Marxism, wrote A.J.P. Taylor. And the fundamental reason they have not brought capitalism down is that parliamentary democracy has provided them with the leverage to secure their goals, such as trade union rights and the welfare state. Thus wrote John Strachey, a British Labour front-bencher of the Atlee years who himself had been through the Marxist mill:

democracy had defeated Marxism.

Pluralist democracy — with its market place of ideas, advanced civil liberties and alternation of governments — has not only rendered Marx’s credo irrelevant but seems to be confounding any attempt to further expand state ownership and responsibilities by democratic or gradualist means.

Ralph Miliband in his *Capitalist Democracy in Britain* (Oxford, 1984) attempts to explain Britain’s high measure of social and political stability ... and he moves away from other Marxists who write British history as a sequence of aborted revolutions and close shaves for the ruling classes. He says:

“In Britain there has been no crisis of the regime in this century ... the fears expressed in high places in 1919 were not justified. Labour had no wish (or capacity) to provoke a major crisis. Nor was there such a crisis in 1926, or at any time thereafter. It is in fact not too much to say that there has been no crisis of the regime in Britain since 1688, which is a long time”.

From the Duke of Wellington to Winston Churchill in the General Strike there have been patricians prepared to hit the panic buttons; they need not have bothered: the best organised working class in Europe remained opposed to the nostrums of the far-Left.

Recently the Australian Left held a conference in Sydney and, from reports, some sense was talked. But the Left has had a long time, a very long time, to build a constituency for its policies in Australia, and it has never succeeded — not in the Labor Party’s first generation, not at the end of World War I with widespread disillusion among workers and revolution in Europe, not in the Great Depression, not in the late 60’s, early 70’s “Time

of Hope", as Donald Horne called it. The key tenets of socialists — a commanding role for government in the economy, a bigger say for the unions and sympathy for revolutionary regimes abroad — have *never* won support, although not since the Cold War have they been quite as unattractive as they are today.

"If Only"

This can produce the "if only" response. If only the people understood elementary economics, if only they weren't so apathetic, if only they weren't cheated by Labor fakers, if only they weren't fooled by the media...

This last is the most commonly heard.

Drip, drip, drip goes the propaganda of the capitalist, wearing down the critical capacity of the poor proletarian. Drip, drip, drip goes "repressive tolerance", "capitalist hegemony", from the pipeline of *Womens Weekly*, the *Brisbane Telegraph*, *Eyewitness News*, seducing the ironworker, the teacher, the scientist from their natural preference for Left solutions.

The fact that there might be solid reasons why the working class rejects socialism — and always has — is altogether overlooked.

Perhaps the answer lies in agitation and propaganda, a Labor weekly, trade union arts festivals, a Labor college, a Left Book Club, that is "education". One should be skeptical of any argument that begins: "We've got to educate people to...". Whenever someone wishes to sell you a politically hopeless proposition — say, the desirability of higher income taxation or of the phasing out of the motor car — it is always prefaced this way.

A Soviet dissident, Vladimir Bukovsky (whose description of Soviet socialism in his memoir *To Build a Castle* (1978) had a marked influence in France) had something to say on how you "educate" people to accept socialism. He wrote:

"The amazing, naive and inhuman faith of all socialists in the power of re-education transformed our school years into a torture and covered the country with concentration camps. In our country, everybody is being 're-educated', from the cradle to the grave, and everybody is obliged to re-educate everybody else. Conferences, meetings, discussions, political information sessions, surveillance, check-ups, collective measures,

Saturday working and socialist competition. For the in-educable, heavy physical labour in concentration camps. How else could you build socialism? All this was clear to me as a fifteen-year-old lad. But ask any Western socialist what should be done with people unsuited to socialism and he will reply: re-educate them".

"Socialism" in the West is discredited, tarnished forever by its association with Marxist-Leninists.

At the start of the first oil price shock of 1974 there were people who said "Well, that's the end of the period of effortless post-war economic growth... there's going to be a radicalisation ... whether of Left or Right". It is noteworthy that that never happened: there has been no resurgence of neo-Nazism in West Germany, no swelling of the National Front in Britain — and, everywhere, rather than gains for the Marxist Left, a remarkable slump in communist party support especially in France and Spain (where unemployment stands at 20 per cent but communist support was only one per cent at the last election). In fact, 12 years of economic instability and high unemployment have only seen a strengthening of the Centre; and continuing moderation of socialist and labor parties, as they revise further their original creeds.

Why?

In the collective mind of Western Europe there is still a vivid recollection of what happened when demagogues offered quack solutions to the economic crisis of the 1930s. Few want to go down that track again. The West Europeans can see Marxist-Leninist solutions on the other side of the border and Eastern Europe is a very bad advertisement for Eurocommunism.

Totalitarian

But it is these totalitarian regimes that have appropriated the term socialism. When Western electors think of socialism they think of the communist bloc. For years we've attempted to argue them out of it: "That's not *real* socialism ... you can't have socialism without democracy ... in Australia, in France, in Britain it would be an altogether *different* type of socialism..."

We thus engage in an endless tug of war for

possession of the term “socialist”, a tug of war with such lovely types as Pol Pot, the Baathist Party of Irak and General Jaruzelski. But most Western electors still think of them not us, when someone leaps from the bushes and says, “Socialist!”.

In fact Western electors probably have a composite picture of socialism that incorporates East Berlin’s Stalin Allee, self-applauding Politburo members in baggy grey suits and steel-rimmed glasses, the Ruritanian antics of the Ceausecu family, Solzhenitsyn’s “Zeks” with their shaven heads in an Arctic night tramping the earth behind the barbed wire.

Moscow has won the tug of war. “Socialism” in the West is discredited, tarnished forever by its association with Marxist-Leninists. We face this question: Is it really worth fighting for possession? Or better to let them have it?

Well, my view is let them have it. Allow Pol Pot to revel in the term. We can call our core belief something else, social justice, social democracy, equity or plain fairness.

There may be Western voters who still see “socialism” in domestic terms. But they probably associate socialism with the greyness of post-war Britain. Someone has argued that in the UK socialism conveys an image of poverty rather than prosperity. With the arguable — very arguable — exception of Sweden and Austria, nowhere does it seem to represent anything like a cheerful rallying call.

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As an advertising man might put it, these are fundamental image problems. They seem as fundamental now as in the early 60’s when British Fabian tracts were embellished with the slogan: “Socialism in the Sixties” and showed a tortoise crawling forward. We’re in the 80’s and there’s been no mass conversions. The tortoise has not advanced .. no, given Thatcher’s privatisation and rolling back of union power we’d have to show him going backwards.

In the West there are signs that socialism has faltered.

The Size of Government

The main limit it has run into is the size of the public sector. State spending in Western Europe as a share of GDP is at an average of 50 per cent, having risen from just under 35 per cent two decades ago. When it was 35 per cent all things seemed possible: socialists could compile extensive shopping lists of desirable reforms and programmes. Not today. It is difficult to cut, control or redirect total government spending because of the growing number of elderly and because of payments to the unemployed. It can’t be further expanded without increasing taxation or adding to the public debt. Socialism has long been defined in practical terms as increasing government’s responsibilities, an approach we simply can’t afford anymore, partly because economic growth has trailed off, and this is the second major constraint. Labor governments in Britain (1974 to 1979) and a Labor-led government in Israel know what it is like to govern in austerity, to talk not about redistribution of wealth but about fair distribution of sacrifice, as do the Portuguese socialists after the last experience of government. You cannot champion bold new programmes of social reform in a no-growth economy and that means you settle for administering the status quo more equitably.

Since Hugh Gaitskell’s Fabian Tract, *Socialism and Nationalisation*, written in 1953, and Tony Crosland’s monumental *The Future of Socialism* (1956), Labor Parties have gradually revised their time-honoured priority of expanded State ownership. In the mid-80’s, however, it is necessary not just to be critical of state ownership — like Peter Walsh I see no inherent virtue in either private or public ownership without considering the merits of the particular case — but of state intervention in general.

Today we know centralist answers are not always the best for economic efficiency or fairness. One of the grossest inequalities can be between public sector workers with security of employment and substantial superannuation and those in the private sector especially manufacturing. State and Federal Labor Ministers are viewing with concern the rise of a new class of co-ordinators, “resource people”, and social workers burning up in salaries funds that should go direct to the poor. Executives and parliaments are struggling to bring the sprawl of government under some effective control; in the meantime everyone has stories of waste,

duplication and inefficiency.

The burden of all this is borne disproportionately by the PAYE taxpayer, and increasingly the ones on ordinary incomes. Three quarters of the workforce in Australia is employed in the private sector. It is not a constituency for bigger government.

In mid-1983 the British Labour Party fought an election on a policy of big public sector expansion including nationalisation and a free hand for the unions, with a commitment to unilateral disarmament thrown in. This proved an unpalatable cocktail. The party's vote dropped to its lowest since 1918; the party only led the Liberal-SDP Alliance by one or two percentage points; and trailed it in a majority of Tory-held marginals. The party is now beginning to look at alternatives to expensive nationalised bureaucracies: co-operatives and employee buy-outs. The prospects here, of course, are not promising.

The French Socialists learnt one year after their mid 1981 victory that vigorous public sector reflation in one country does not work, and switched from all out statism to policies based on the market. I have tremendous admiration for Mitterand: he lost his government at an election in which the combined vote of the Right wing parties was 55 per cent, and managed to persuade the world it was "a close-run thing". Anywhere else it would have been seen as a landslide defeat.

The Spanish Socialists, who came to power in 1982 without a distinctive economic position, are pushing competition and modernisation as an alternative to Franco's top-heavy state. Dutch socialists are talking privatisation of parts of their health service.

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All these trends can mean different things. They certainly suggest there is no commonly understood body of ideas, programs or strategies that come under the heading "socialist". Yet up until recently that was, more or less, the case, certainly would have been in 1955 or 1945.

Social democratic parties are as vital as ever, in southern Europe doing better than anytime in history, but not without measures that have morally been understood as socialist.

Privatisation of health services or fostering

competition can achieve various goals such as greater equity considered desirable by reformist governments but socialist measures they are not. There really is not that much use in the word "socialist" anymore.

It has run its race.

Of course you can argue your way out if you are prepared to redefine socialism as something it never really was. William Lane has said socialism just means "being mates". *The Economist* used "neo-conservative socialism" to describe what Spanish, French and Italian socialists are doing. This stretches meaning a bit too much.

When you get to that point you really should give up.

Socialism means State Power

Socialism has a specific meaning: more state power in the economy. As John Dunn argues in *The Politics of Socialism* (Cambridge, 1984):

"Socialism is concerned with many other matters besides the exercise of state power, but it is politically puerile to ignore the centrality to socialist politics of the struggle to acquire, and to exercise state power for what are hoped to be good ends. In political theory socialism must be defined in the first instance in terms of the exercise of state power and the organisation of an economy; it cannot simply be dissolved into the name for an assemblage of miscellaneous cultural enthusiasms which happen to be current at a particular time. The classic questions of socialist political theory concern the form of the state and the organisation of the economy".

In 1986 there is hardly an irresistible case for a further expansion of the states's economic responsibility.

There are three points we should always remember.

The first is that the pluralist democracies of the Western world are not wretchedly unjust societies, although specific injustices can be found in them. They are the first societies in history to make a decent life available to ordinary people. This is a considerable achievement and reflects well on the labor movements and social democratic, labor and socialist parties. Few in these societies consider themselves oppressed and those that do, like farmers in Australia, reach conclusions altogether different from those socialists would

ordain.

The second point is that active politics touches most people in only a marginal way. A state of political agitation — issuing pamphlets, seizing microphones, bossing workmates into signing petitions and going to meetings — will always be untypical ... thankfully. As Crosland put it, most people want to be left to tend their gardens.

As a result — and this is my third point — it is hard to force change in our societies, certainly harder than we all thought in the early 70's. You can only go a little way at a time and then, as Neville Wran says, only get away with change when you make the voters believe they thought of it first.

I'm not saying there is nothing for reformist governments to do. There's plenty: getting the mix of policies that delivers good non-inflationary growth and continuing to push for a more

equitable tax system for a start. Redistributing welfare from the middle class to the poor; giving the under-served working class suburbs their fair share of services; turning the tide of environmental degradation; and trimming the waste from government: all these should be on the agenda.

But I don't think it's useful anymore to pretend these things amount to socialism, or that socialism has much use as a concept, or that it carries support, or that a growing number of people want it: in fact, their numbers are contracting. And it would be silly to cling onto it out of sentimentality.

The Italian communist party has referred to the "exhaustion of the ideas unleashed by the October 1917 coup d'etat in Russia. In other words, Marxism-Leninism has run out of steam.

Exhaustion is not a bad term to apply in 1986 not just to Marxism-Leninism but to socialism.

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