

imum wages, in fixing prices and putting a ceiling on rents, in curbing monopolies, in erecting tariffs, in guaranteeing jobs, in managing the money supply? To these and all similar questions the libertarian answers with an unequivocal no.

“But then you’d let people go hungry!” comes the rejoinder. This, the libertarian insists, is precisely what would not happen; with the restrictions removed, the economy would flourish as never before. With the controls taken off business, existing enterprises would expand and new ones would spring into existence satisfying more and more consumer needs; millions more people would be gainfully employed instead of subsisting on welfare, and all kinds of research and production, released from the stranglehold of government, would proliferate, fulfilling man’s needs and desires as never before. It has always been so whenever government has permitted men to be free traders on a free market. But *why* this is so, and how the free market is the best solution to all problems relating to the material aspect of man’s life, is another and far longer story. . . .

#### NOTE

- 1 William W. Bayes, “What Is Property?” *The Freeman*, July 1970, p. 348.

#### QUESTIONS

- 1 Some libertarians argue that from a moral standpoint there is no difference between the actions of an ordinary thief and those of a government when it seizes money from some in order to support others. They assume that if the former are wrong, then so are the latter. Are they correct?
- 2 Do you agree that the government should have no role in assisting the needy? What reasons can you advance to defend your answer?

## A Moral Case for Socialism

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Nielsen puts forth a moral case for socialism. He identifies and explicates a cluster of values that are basic to our culture—freedom and autonomy, equality, justice, rights, and democracy—and then compares “pure socialism” and “pure capitalism” in respect to these values. Nielsen concludes that a socialist system is much more likely to exemplify our basic values than a capitalist system.

In North America socialism gets a bad press. It is under criticism for its alleged economic inefficiency and for its moral and human inadequacy. I want here to address the latter issue. Looking at capitalism and socialism, I want to consider, against the grain of our culture, what kind of moral case can be made for socialism.

The first thing to do, given the extensive, and, I would add, inexcusably extensive, confusions about this, is to say what socialism and capitalism are. That done I will then, appealing to a cluster of values which are basic in our culture, concerning which there is a considerable and indeed a reflective consensus, examine how capitalism and socialism fare with respect to these values. Given that people generally, at least in Western societies, would want it to be the case that these values have a stable exemplification in our social lives, it is appropriate to ask the question: which of these social systems is more likely stably to exemplify them? I shall argue, facing the gamut of a careful comparison in the light of these values, that, everything considered, socialism comes out better than capitalism. And this, if right, would give us good reason for believing that socialism is preferable—indeed morally preferable—to capitalism if it also turns out to be a feasible socio-economic system.

What, then, are socialism and capitalism? Put most succinctly, capitalism requires the existence of private *productive* property (private ownership of the means of production) while socialism works toward its abolition. What is essential for socialism is public ownership and control of the means of production and public ownership means just what it says: *ownership by the public*. Under capitalism there is a domain of private property rights in the means of production which are not subject to political determination. That is, even where the political domain is a democratic one, they are not subject to determination by the public; only an individual or a set of individuals who own that property can make the final determination of what is to be done with that property. These individuals make the determination and not citizens at large, as under socialism. In fully developed socialism, by contrast, there is, with respect to productive property, no domain which is not subject to political determination by the public, namely by the citizenry at large. Thus, where this public ownership and control is genuine, and not a mask for control by an elite of state bureaucrats, it will mean genuine popular and democratic control over productive property. What socialism is *not* is *state* ownership in the absence of, at the very least, popular sovereignty, i.e., genuine popular control over the state apparatus including any economic functions it might have.

The property that is owned in common under socialism is the means of existence—the productive property in the society. Socialism does not proscribe the ownership of private personal property, such as houses, cars, television sets and the like. It only proscribes the private ownership of the means of production.

The above characterizations catch the minimal core of socialism and capitalism, what used to be called the essence of those concepts. But beyond these core features, it is well, in helping us to make our comparison, to see some other important features which characteristically go with capitalism and socialism. Minimally, capitalism is private ownership of the means of production but it is also, at least charac-

teristically, a social system in which a class of capitalists owns and controls the means of production and hires workers who, owning little or no means of production, sell their labor-power to some capitalist or other for a wage. This means that a capitalist society will be a class society in which there will be two principal classes: capitalists and workers. Socialism by contrast is a social system in which every able-bodied person is, was or will be a worker. These workers commonly own and control the means of production (this is the characteristic form of public ownership). Thus in socialism we have, in a perfectly literal sense, a classless society for there is no division between human beings along class lines.

There are both pure and impure forms of capitalism and socialism. The pure form of capitalism is competitive capitalism, the capitalism that Milton Friedman would tell us is the real capitalism while, he would add, the impure form is monopoly or corporate capitalism. Similarly the pure form of socialism is democratic socialism, with firm workers' control of the means of production and an industrial as well as a political democracy, while the impure form is state bureaucratic socialism.

Now it is a noteworthy fact that, to understate it, actually existing capitalisms and actually existing socialisms tend to be the impure forms. Many partisans of capitalism lament the fact that the actually existing capitalisms overwhelmingly tend to be forms of corporate capitalism where the state massively intervenes in the running of the economy. It is unclear whether anything like a fully competitive capitalism actually exists—perhaps Hong Kong approximates it—and it is also unclear whether many of the actual players in the major capitalist societies (the existing capitalists and their managers) want or even expect that it is possible to have laissez-faire capitalism again (if indeed we ever had it). Some capitalist societies are further down the corporate road than other societies, but they are all forms of corporate, perhaps in some instances even monopoly, capitalism. Competitive capitalism seems to be more of a libertarian dream than a sociological reality or even something desired by many informed and tough-minded members of the capitalist class. Socialism has had a similar fate. Its historical exemplifications tend to be of the impure forms, namely the bureaucratic state socialisms. Yugoslavia is perhaps to socialism what Hong Kong is to capitalism. It is a candidate for what might count as an exemplification, or at least a near approximation, of the pure form.

This paucity of exemplifications of pure forms of either capitalism or socialism raises the question of whether the pure forms are at best unstable social systems and at worse merely utopian ideals. I shall not try directly to settle that issue here. What I shall do instead is to compare *models* with *models*. In asking about the moral case for socialism, I shall compare forms that a not inconsiderable number of the theoretical protagonists of each take to be pure forms but which are still, they believe, historically feasible. But I will also be concerned to ask whether these models—these pure forms—can reasonably be expected to come to have a home. If they are not historically feasible models, then, even if we can make a good theoretical moral case for them, we will have hardly provided a good moral case for socialism or capitalism. To avoid bad utopianism we must be talking about forms which could be on the historical agenda. (I plainly here do not take “bad utopianism” to be pleonastic.)

## II

Setting aside for the time being the feasibility question, let us compare the pure forms of capitalism and socialism—that is to say, competitive capitalism and democratic socialism—as to how they stand with respect to sustaining and furthering the values of freedom and autonomy, equality, justice, rights and democracy. My argument shall be that socialism comes out better with respect to those values.

Let us first look at freedom and autonomy. An autonomous person is a person who is able to set her ends for herself and in optimal circumstances is able to pursue those ends. But freedom does not only mean being autonomous; it also means the absence of unjustified political and social interference in the pursuit of one's ends. Some might even say that it is just the absence of interference with one's ends. Still it is self-direction—autonomy—not non-interference which is *intrinsically* desirable. Non-interference is only valuable where it is an aid to our being able to do what we want and where we are sufficiently autonomous to have some control over our wants.

How do capitalism and socialism fare in providing the social conditions which will help or impede the flourishing of autonomy? Which model society would make for the greater flourishing of autonomy? My argument is (a) that democratic socialism makes it possible for more people to be more fully autonomous than would be autonomous under capitalism; and (b) that democratic socialism also interferes less in people's exercise of their autonomy than any form of capitalism. All societies limit liberty by interfering with people doing what they want to do in some ways, but the restrictions are more extensive, deeper and more undermining of autonomy in capitalism than in democratic socialism. Where there is private ownership of productive property, which, remember, is private ownership of the means of life, it cannot help but be the case that a few (the owning and controlling capitalist class) will have, along with the managers beholden to them, except in periods of revolutionary turmoil, a firm control, indeed a domination, over the vast majority of people in the society. The capitalist class with the help of their managers determines whether workers (taken now as individuals) can work, how they work, on what they work, the conditions under which they work and what is done with what they produce (where they are producers) and what use is made of their skills and the like. As we move to welfare state capitalism—a compromise still favoring capital which emerged out of long and bitter class struggles—the state places some restrictions on some of these powers of capital. Hours, working conditions and the like are controlled in certain ways. Yet whether workers work and continue to work, how they work and on what, what is done with what they produce, and the rationale for their work are not determined by the workers themselves but by the owners of capital and their managers; this means a very considerable limitation on the autonomy and freedom of workers. Since workers are the great majority, such socio-economic relations place a very considerable limitation on human freedom and indeed on the very most important freedom that people have, namely their being able to live in a self-directed manner, when compared with the industrial democracy of democratic socialism. Under capitalist arrangements it simply cannot fail to be the case that a very large number of people

will lose control over a very central set of facets of their lives, namely central aspects of their work and indeed in many instances, over their very chance to be able to work.

Socialism would indeed prohibit capitalist acts between consenting adults; the capitalist class would lose its freedom to buy and sell and to control the labor market. There should be no blinking at the fact that socialist social relations would impose some limitations on freedom, for there is, and indeed can be, no society without norms and some sanctions. In any society you like there will be some things you are at liberty to do and some things that you may not do. However, democratic socialism must bring with it an industrial democracy where workers by various democratic procedures would determine how they are to work, on what they are to work, the hours of their work, under what conditions they are to work (insofar as this is alterable by human effort at all), what they will produce and how much, and what is to be done with what they produce. Since, instead of there being "private ownership of the means of production," there is in a genuinely socialist society "public ownership of the means of production," the means of life are owned by everyone and thus each person has a *right* to work: she has, that is, a right to the means of life. It is no longer the private preserve of an individual owner of capital but it is owned in common by us all. This means that each of us has an equal right to the means of life. Members of the capitalist class would have a few of their liberties restricted, but these are linked with owning and controlling capital and are not the important civil and political liberties that we all rightly cherish. Moreover, the limitation of the capitalist liberties to buy and sell and the like would make for a more extensive liberty for many, many more people.

One cannot respond to the above by saying that workers are free to leave the working class and become capitalists or at least petty bourgeoisie. They may indeed all in theory, taken *individually*, be free to leave the working class, but if many in fact try to leave the exits will very quickly become blocked. Individuals are only free on the condition that the great mass of people, taken collectively, are not. We could not have capitalism without a working class and the working class is not free within the capitalist system to cease being wage laborers. We cannot all be capitalists. A people's capitalism is nonsense. Though a petty commodity production system (the family farm writ large) is a logical possibility, it is hardly a stable empirical possibility and, what is most important for the present discussion, such a system would not be a capitalist system. Under capitalism, most of us, if we are to find any work at all, will just have to sell (or *perhaps* "rent" is the better word) our labor-power as a commodity. Whether you sell or rent your labor power or, where it is provided, you go on welfare, you will not have much control over areas very crucial to your life. If these are the only feasible alternatives facing the working class, working class autonomy is very limited indeed. But these are the only alternatives under capitalism.

Capitalist acts between consenting adults, if they become sufficiently widespread, lead to severe imbalances in power. These imbalances in power tend to undermine autonomy by creating differentials in wealth and control between workers and capitalists. Such imbalances are the name of the game for capitalism. Even if we (perversely I believe) call a system of petty commodity production capitalism, we still

must say that such a socio-economic system is inherently unstable. Certain individuals would win out in this exchanging of commodities and in fairly quick order it would lead to a class system and the imbalances of power—the domination of the many by the few—that I take to be definitive of capitalism. By abolishing capitalist acts between consenting adults, then (but leaving personal property and civil and political liberties untouched), socialism protects more extensive freedoms for more people and in far more important areas of their lives.

### III

So democratic socialism does better regarding the value that epitomizes capitalist pride (*hubris*, would, I think, be a better term), namely autonomy. It also does better, I shall now argue, than capitalism with respect to another of our basic values, namely democracy. Since this is almost a corollary of what I have said about autonomy I can afford to be briefer. In capitalist societies, democracy must simply be *political* democracy. There can in the nature of the case be no genuine or thorough workplace democracy. When we enter the sphere of production, capitalists and not workers own, and therefore at least ultimately control, the means of production. While capitalism, as in some workplaces in West Germany and Sweden, sometimes can be pressured into allowing an ameliorative measure of worker control, once ownership rights are given up, we no longer have private productive property but public productive property (and in that way social ownership): capitalism is given up and we have socialism. However, where worker control is restricted to a few firms, we do not yet have socialism. What makes a system socialist or capitalist depends on what happens across the whole society, not just in isolated firms. Moreover, managers can become very important within capitalist firms, but as long as ownership, including the ability to close the place down and liquidate the business, rests in the hands of capitalists we can have no genuine workplace democracy. Socialism, in its pure form, carries with it, in a way capitalism in any form cannot, workplace democracy. (That some of the existing socialisms are anything but pure does not belie this.)

Similarly, whatever may be said of existing socialisms or at least of some existing socialisms, it is not the case that there is anything in the very idea of socialism that militates against political as well as industrial democracy. Socialists are indeed justly suspicious of some of the tricks played by parliamentary democracy in bourgeois countries, aware of its not infrequent hypocrisy and the limitations of its stress on purely legal and formal political rights and liberties. Socialists are also, without at all wishing to throw the baby out with the bath water, rightly suspicious of any simple reliance on majority rule, unsupplemented by other democratic procedures and safeguards. But there is nothing in socialist theory that would set it against political democracy and the protection of political and civil rights; indeed there is much in socialism that favors them, namely its stress on both autonomy and equality.

The fact that political democracy came into being and achieved stability within capitalist societies may prove something about conditions necessary for its coming into being, but it says nothing about capitalism being necessary for sustaining it. In

Chile, South Africa and Nazi Germany, indeed, capitalism has flourished without the protection of civil and political rights or anything like a respect for the democratic tradition. There is nothing structural in socialism that would prevent it from continuing those democratic traditions or cherishing those political and civil rights. That something came about under certain conditions does not establish that these conditions are necessary for its continued existence. That men initially took an interest in chess does not establish that women cannot quite naturally take an interest in it as well. When capitalist societies with long-flourishing democratic traditions move to socialism there is no reason at all to believe that they will not continue to be democratic. (Where societies previously had no democratic tradition or only a very weak one, matters are more problematic.)

#### IV

I now want to turn to a third basic value, equality. In societies across the political spectrum, *moral equality* (the belief that everyone's life matters equally) is an accepted value. Or, to be somewhat cynical about the matter, at least lip service is paid to it. But even this lip service is the compliment that vice pays to virtue. That is to say, such a belief is a deeply held considered conviction in modernized societies, though it has not been at all times and is not today a value held in all societies. This is most evident concerning moral equality.

While this value is genuinely held by the vast majority of people in capitalist societies, it can hardly be an effective or functional working norm where there is such a diminishment of autonomy as we have seen obtains unavoidably in such societies. Self-respect is deeply threatened where so many people lack effective control over their own lives, where there are structures of domination, where there is alienated labor, where great power differentials and differences in wealth make for very different (and often very bleak) life chances. For not inconsiderable numbers, in fact, it is difficult to maintain self-respect under such conditions unless they are actively struggling against the system. And, given present conditions, fighting the system, particularly in societies such as the United States, may well be felt to be a hopeless task. Under such conditions any real equality of opportunity is out of the question. And the circumstances are such, in spite of what is often said about these states, that equality of condition is an even more remote possibility. But without at least some of these things moral equality cannot even be approximated. Indeed, even to speak of it sounds like an obscene joke given the social realities of our lives.

Although under welfare-state capitalism some of the worst inequalities of capitalism are ameliorated, workers still lack effective control over their work, with repercussions in political and public life as well. Differentials of wealth cannot but give rise to differentials in power and control in politics, in the media, in education, in the direction of social life and in what options get seriously debated. The life chances of workers and those not even lucky enough to be workers (whose ranks are growing and will continue to grow under capitalism) are impoverished compared to the life chances of members of the capitalist class and its docile professional support stratum.

None of these equality-undermining features would obtain under democratic socialism. Such societies would, for starters, be classless, eliminating the power and control differentials that go with the class system of capitalism. In addition to political democracy, industrial democracy and all the egalitarian and participatory control that goes with that would, in turn, reinforce moral equality. Indeed it would make it possible where before it was impossible. There would be a commitment under democratic socialism to attaining or at least approximating, as far as it is feasible, equality of condition; and this, where approximated, would help make for real equality of opportunity, making equal life chances something less utopian than it must be under capitalism.

In fine, the very things, as we have seen, that make for greater autonomy under socialism than under capitalism, would, in being more equally distributed, make for greater equality of condition, greater equality of opportunity and greater moral equality in a democratic socialist society than in a capitalist one. These values are values commonly shared by both capitalistically inclined people and those who are socialistically inclined. What the former do not see is that in modern industrial societies, democratic socialism can better deliver these goods than even progressive capitalism.

There is, without doubt, legitimate worry about bureaucratic control under socialism. But that is a worry under any historically feasible capitalism as well, and it is anything but clear that state bureaucracies are worse than great corporate bureaucracies. Indeed, if socialist bureaucrats were, as the socialist system requires, really committed to production for needs and to achieving equality of condition, they might, bad as they are, be the lesser of two evils. But in any event democratic socialism is not bureaucratic state socialism, and there is no structural reason to believe that it must—if it arises in a society with skilled workers committed to democracy—give rise to bureaucratic state socialism. There will, inescapably, be some bureaucracy, but in a democratic socialist society it must and indeed will be controlled. This is not merely a matter of optimism about the will of socialists, for there are more mechanisms for democratic control of bureaucracy within a democratic socialism that is both a political and an industrial democracy, than there can be under even the most benign capitalist democracies—democracies which for structural reasons can never be industrial democracies. If, all that notwithstanding, bureaucratic creepage is inescapable in modern societies, then that is just as much a problem for capitalism as for socialism.

The underlying rationale for production under capitalism is profit and capital accumulation. Capitalism is indeed a marvelous engine for building up the productive forces (though clearly at the expense of considerations of equality and autonomy). We might look on it, going back to earlier historical times, as something like a forced march to develop the productive forces. But now that the productive forces in advanced capitalist societies are wondrously developed, we are in a position to direct them to far more humane and more equitable uses under a socio-economic system whose rationale for production is to meet human needs (the needs of everyone as far as this is possible). This egalitarian thrust, together with the socialists' commitment to attaining, as far as that is possible, equality of condition, makes it clear that socialism will produce more equality than capitalism.



## V

In talking about autonomy, democracy and equality, we have, in effect, already been talking about justice. A society or set of institutions that does better in these respects than another society will be a more just society than the other society.

Fairness is a less fancy name for justice. If we compare two societies and the first is more democratic than the second; there is more autonomy in the first society than in the second; there are more nearly equal life chances in the first society than in the second and thus greater equality of opportunity; if, without sacrifice of autonomy, there is more equality of condition in the first society than in the second; and if there is more moral equality in the first society than in the second, then we cannot but conclude that the first society is a society with more fairness than the second and, thus, that it is the more just society. But this is exactly how socialism comes out vis-à-vis even the best form of capitalism.

A society which undermines autonomy, heels in democracy (where democracy is not violating rights), makes equality impossible to achieve and violates rights cannot be a just society. If, as I contend, that is what capitalism does, and cannot help doing, then a capitalist society cannot be a just society. Democratic socialism, by contrast, does not need to do any of those things, and we can predict that it would not, for there are no structural imperatives in democratic socialism to do so and there are deep sentiments in that tradition urging us not to do so. I do not for a moment deny that there are similar sentiments for autonomy and democracy in capitalist societies, but the logic of capitalism, the underlying structures of capitalist societies—even the best of capitalist societies—frustrate the realization of the states of affairs at which those sympathies aim. A radical democrat with a commitment to human rights, to human autonomy and moral equality and fair equality of opportunity ought to be a democratic socialist and a firm opponent of capitalism—even a capitalism with a human face.

## QUESTIONS

- 1 Does Nielsen provide good arguments in support of his claim that a socialist system makes it possible for more people to be more fully autonomous than a capitalist system?
- 2 What arguments, if any, could Hospers offer to refute Nielsen's claim that a socialist system is more democratic than a capitalist system?