

SOCIALIST RENEWAL

Is Socialism Inseparable from Common Ownership?

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‘The Labour Party stands essentially for revolt against the inequality of circumstance that degrades and brutalises and disgraces our civilisation’.

– Sidney Webb¹

1. Is socialism inseparable from common ownership? I believe that it is, at least in that central sense of the word ‘socialism’ in which socialism is inseparable from equality.

That is not the only sense that the word ‘socialism’ has carried. Sometimes, for example, ‘socialism’ denotes nothing more than state regulation of the economy. But, insofar as ‘socialism’ is the name of an inspiring ideal, one worth living and dying for, socialism requires equality of fundamental circumstance. It requires access to what’s valuable in life for everyone, on equal terms, whatever may be their social or geographical or ethnic origin, their gender, their talents, and their tastes.

Now so demanding an equality is incompatible with the division between capital and labour. In the capitalist division, some live by virtue of their participation in the creation of social wealth, while others live by virtue of their ownership or control of that wealth, and, therefore, on the backs of those who create it. No one can call that division a form of equality.

But the division between capital and labour is generated by private ownership of means of production. And the only alternative to *private* ownership of the means of production is *common* ownership of the means of production, where ‘common

ownership' is understood in its properly broad sense, in which it covers a multitude of forms.² There *is* no third possibility.

It follows that socialism is indeed inseparable from common ownership: if common ownership is impossible, then socialism is impossible. To rehearse the connections: socialism requires equality which requires abolition of the capital/labour divide which necessitates abolition of private ownership which entails institution of common ownership.³

2. Because socialism is inseparable from common ownership, a socialist commitment enjoins defence of the common ownership provision in Clause IV of the Labour Party Constitution. Equality requires that part of Clause IV. But that same value, equality, requires revision of another part of Clause IV, the part, that is, which assigns to workers the full fruits of their industry. That part needs to be revised for the same reason that the common ownership part needs to be retained. Equality itself requires revision of the 'full fruits' phrase, on behalf of those who, because of their social or personal circumstances, are not able to contribute labour. Infirm people, old people, single parents, other carers, the long-term unemployed have no claim to sustenance if the full fruits of production redound exclusively to those who produce them. Equality requires that non-capitalist non-workers share in social wealth as a matter of right, as opposed to as a matter of charity. So the 'full fruits' part of Clause IV, about which there has been hardly any debate, is the part that needs to be changed.

When they formulated the 'full fruits' phrase, the framers of Clause IV did not intend to starve non-workers, or to relegate them to the vicissitudes of charity. Unlike the phrase 'common ownership', the phrase 'full fruits', as it appears in Clause IV, cannot be taken literally. The framers of Clause IV were able to say 'full fruits' because they assimilated non-workers of the kind that I have listed to the body of working people. That

assimilation reflected the fact that in 1918 the working class was characterized by a number of converging characteristics which no longer converge and which make the issue of reward to non-capitalist non-workers more urgent now than it was then.

The second verse of an old socialist song, 'Solidarity Forever', raises the problematic issue to which I refer. That verse runs, in relevant part, as follows:

It is we who ploughed the prairies, built the cities where they trade,
Dug the mines and built the workshops, endless miles of railroad laid,
Now we stand outcast and starving, 'mid the wonders we have made . . .

In those lines, people demand relief from starvation not on the ground that they cannot produce but on the ground that they have produced and should therefore not be left to starve. Two claims to recompense, *need*, on the one hand, and *entitlement through labour*, on the other, are fused, in a fashion typical of the socialist rhetoric of the time, in the 'Solidarity' verse. It was natural to fuse those claims at the time when the song was written because it was possible, then, to see the set of exploited producers as roughly coterminous with the set of those who needed the welfare state's benefits. Accordingly, no conflict was sensed between the producer entitlement doctrine implied by the second part of the third line ('Mid the wonders we have made') and the egalitarian doctrine suggested in its first part ('Now, we stand outcast and starving'), when it is read on its own. But it does not require much argument to show that there is indeed a difference of principle between the appeals in the two parts of the line. Starving people are not necessarily people who have produced what starving people need, and, if what people produce belongs as of right to them, the people who have produced it, then starving people who have not produced it have no claim on it. The old image of the working class, as a set of people who *both* make the wealth *and* do not

have it, conceals, in its fusion of those characteristics, the poignant and problematic truth that the two claims to sustenance, namely, 'I made this and I should therefore have it' and 'I need this, I will die or wither if I do not get it' are not only different but potentially contradictory pleas.⁴ Clause IV's 'full fruits' phrase is unresponsive to that second plea, which is more egalitarian than the first.⁵

3. Politicians and academics have different roles, and, consequently, different attitudes, different ways of seeing things. There is great scope, as a result, for mutual misunderstanding and for mutual contempt. Prominent among the concerns of politicians must be the winning of elections. But academics don't run in elections. Their job is to seek and speak the truth. To be sure, politicians sometimes speak the truth, and they even sometimes sacrifice political gain to principle, and academics sometimes sacrifice enunciation of the truth to political expediency, but each steps out of her normal role when she so acts, which is not to deny that there can be good reasons for stepping out of one's normal role.

Labour has not seen office for sixteen years, and the institutions and the ethos of the country display the wounds of that failure. It is imperative that Labour win the next election, and no socialist should pretend, not even a socialist philosopher should pretend, that the recent slaughter of Clause IV will diminish Labour's electoral chances. The left doesn't like to think that the destruction of Clause IV might be politically beneficial. Many Leftists cherish the illusion that we know, now, how to translate real socialism into a winnable programme. And the right, for its part, likes to say, and sometimes even to think, that the new Clause IV, which, through its affirmations and its silences, endorses capitalism, merely provides a new route to fulfilment of socialist values. The left-wing lie or self-deception is that we are in a position, now, to recruit a majority to the vision of an

economy that transcends the capitalist market. The Labour leadership lie or self-deception is that we do not need to transcend the capitalist market to deliver the goods thought in the past impossible to get without transcending the capitalist market.⁶ One side pretends that we *can* do what the other side pretends there is no *need* to do. And each side is very good at exposing the imposture of the other.

4. The present leader of the Labour Party is inducing that Party to reject the basic socialist aspiration of abolishing the division between capital and labour, between income from owning and income from work, which is the traditional socialist recipe for realising traditional socialist values, and which, so I have argued, is indispensable to their realisation. *Perhaps* Tony Blair believes that traditional socialist values can be realised within the frame of what he favours, to wit, a less inhumane and less unjust capitalist society. But that is an entirely amazing thing to believe. Blair is surely too clever to believe that.

Now given what Tony Blair's convictions are, it is, whatever else it may be, an act of plain honesty on his part, to seek to abolish Clause IV. I respect Blair's unwillingness to lead a party with a clear socialist commitment in its constitution in a sense of 'socialist' in which he is clearly not a socialist.

If Tony Blair is in some other sense a socialist, the new Clause IV doesn't reveal that. The new Clause IV is in no sense socialist, since there is literally nothing in it which a Liberal Democrat need reject, which, moreover, a Liberal Democrat would not enthusiastically applaud. When an interviewer put that point to Tony Blair, he said two things. First, that it was not for him but for others to say where *they* stood, and, second, that it was no weakness in the new Clause IV if it appealed to Liberal Democrats and even to erstwhile Tory supporters who were dismayed by what the Tories had delivered. Those are good remarks from an electoral point of view, but they are implicit

confessions that Labour under Blair has abandoned anything that distinguished it as such, that the recommendation of the new Clause IV is not that it formulates socialist or even *Labour* principles, but that it improves the chances of a Labour victory at the next election.

5. I suggested that it is inappropriate for a non-socialist to lead a Party which has a full socialist commitment in its constitution. But, by the same token, those of us who really are socialists in the central traditional sense are bound in honour and in honesty to defend common ownership. Nor should we be deterred by the insidious argument that in doing so we reduce Labour's electoral prospects.

To that argument, I say this: what, after all, is the *good* of a 20 or 30 or 40% lead over the Tories? A Labour landslide could be a disaster for the Labour left. If Labour wins too many seats, its left might be emasculated. *If* continued agitation within the Labour Party on behalf of socialism reduces its forthcoming majority, that can be good for the left. I do not see, on the present political map, a reason for principled socialists to conceal their principles.

In saying that we should defend Clause IV I do not mean that it is flawless, and I have myself mentioned a serious flaw in it, relating to the 'full fruits' phrase. But we must defend Clause IV because it has become the battleground on which the fight for socialism is now either continued or abandoned.

Socialism in the robust sense *means* abolition of private ownership of capital. The massively failed attempt in our century to replace private ownership by something better is not a reason to give up the socialist aspiration. Socialism is in historical compass a young movement, too young for it to be time to reject the aspiration it projects. Advanced socialist economists such as John Roemer, in his recent book, *A Future for Socialism*,⁷ are even now working out ingenious schemes for modern implementation

of the traditional common ownership aspiration. That it would be absurd for the Labour Party to proclaim such schemes at the next general election does not mean that it should remove from its constitution the principles which encourage the construction of such schemes.⁸

References

1. In Ken Coates, *Common Ownership*, Spokesman Books, Nottingham, 1995, p.10.
2. The idea that common ownership can take many forms is not a piece of latter-day hedging by socialists on the defensive. Sidney Webb, on Clause IV.4: 'This declaration of the Labour Party leaves it open to choose from time to time whatever forms of common ownership from the co-operative store to the nationalised railway, and whatever forms of popular administration and control of industry, from national guilds to ministries of employment and municipal management, may, in particular cases, commend themselves.' Coates, *Common Ownership*, p.9.
3. Should no one, therefore, be allowed to earn interest on a savings account? That conclusion does not follow. Apart from being socially beneficial, saving in a socialist society represents a legitimate freedom to consume the reward to one's labour (or — see section 2 below — the compensation for one's inability to labour) later rather than now. It should therefore be rewarded both for utilitarian reasons and as a matter of egalitarian principle. Accordingly, even in a socialist society, some reward would accrue, in the immediate instance, not to doing but to owning. But it does follow, from the abolition of private capital in a principled sense, that the original source of saveable wealth must be one's own labour contribution (or one's compensation for disability), and that there must be strict limits on rights of transfer to others, and, in particular, on bequest.
4. Cf. Anton Menger, *The Right to the Whole Produce of Labour*, London, 1899, p.5: 'Any attempt to carry to a logical conclusion the idea of the labourer's right to the whole produce of his labour is immediately confronted with the numerous persons who are incapable of work (children, the aged and invalids, etc.), and who must depend for the satisfaction of their wants on unearned income'. Cf. *ibid.*, pp.28, 109.
5. For further development of this theme, see section 5 of Chapter VI of my *Self-Ownership, Freedom, and Equality*, Cambridge, 1995.
6. In neither case would I attribute the deception to all of those denoted by

the phrases 'left-wing' and 'Labour leadership': see, in particular, the speculations about Tony Blair in the next section.

7. London, 1994.
8. In preparing this paper, I benefited from an unpublished talk by Mark Hope on 'Clause IV in Historical Context'.

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