Summary: Excerpt of a speech to the International Marxist-Humanist Organization Convention, Chicago, July 2-3, 2016. It addresses, with particular attention to Latin America and to Marx’s *Critique of the Gotha Program*, the urgent need to develop a viable alternative to capitalism that goes beyond critiques of neo-liberalism and beyond calls for a more “equitable” distribution of surplus value - Editors

Marxist-Humanism’s Contribution to Developing Perspectives for Transcending Capitalism

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I.

Two different, contradictory forces are pushing for dominance in the world today—and it is unclear which one will get the upper hand. New aspirations for liberation have arisen, as seen in a new generation of Black and Latina activists in the U.S. protesting police abuse and racial injustice. At the same time, the idea of socialism has begun to emerge from its long eclipse, thanks to the presidential campaign of Bernie Sanders. Yet a powerful current is pushing in the opposite direction, as reflected in the murder of 50 gays and lesbians at a nightclub in Orlando, Florida on June 12 by a gunman claiming to support ISIS. What makes the attack especially disturbing is the way it is being used by Donald Trump to intensify his attacks on Muslims, immigrants, women, and people of color. Instead of acknowledging the attack as a deranged act of someone made deranged by a society steeped in alienated human relations, Trump and his cohorts are using it to push U.S. society even further toward the open embrace of the most brazen racism.

This contradictory reality is hardly confined to the U.S. Hundreds of thousands are marching in France against austerity and efforts to rewrite the country’s labor laws, at the same time as much of European society is embracing chauvinist attacks on immigrants from North Africa and the Middle East. Something about the very nature of the current
phase of global capitalism is bringing ever-more virulent expressions of race hatred and misogyny to the surface.

That Trump is a serious threat goes without saying—not least because his racially charged rhetoric has made him more popular. In a sense, this is no surprise: The Republican Party (and much of the Democratic Party too)\(^i\) has been winning elections by using the race card for decades. What is new with Trump is that the coded racism that politicians long ago mastered has been supplemented by open racism. Simply put, Trump won over the Republican Party by saying what its base wanted to hear. Over 70% of Republican voters support banning Muslims from the U.S., 85% support building a wall on the Mexican border, and 90% favor identifying and deporting undocumented immigrants as soon as possible.\(^ii\) Hence, House Speaker Paul Ryan still supports Trump even after calling his attacks on a Mexican-American Judge “a textbook case of racism.” Retaining the reigns of state power is a lot more important to the Ryan’s, McCain’s and McConnell’s than any principles.

The threat is not just that Trump will win the election—though that is not to be discounted, given that Hillary Clinton is the most unpopular Democratic nominee in decades and that terrorist attacks (as in Orlando) play into his hands. It’s that he has set the stage for even more regressive phenomena to follow him. Now that it has been shown that a ”straight-talking” ignoramus who fuels racial
animus can ride roughshod over 16 primary opponents, the
door is open to even more reactionary figures appearing on
the scene—especially when times get particularly rough.iii

Let’s keep in mind that as bad as things are in the U.S.
today—with extreme insecurity and anxiety rooted in the
failure of the economy to provide a future for most of its
populace—things were far worse in 2008, when the U.S.
was in its deepest economic recession since the 1930s. And
yet that didn’t prevent the first African-American from
being elected president. And while the “recovery” since then
has been paltry, with little of its minimal gains “trickling
down” to the masses, the unemployment rate is half of what
it was six years ago. So what explains Trump’s remarkable
ability to seize control of the Republican Party?

To answer this, we must avoid economic reductionist
explanations—such as the widespread claim that Trump’s
support comes from a white working class feeling economic
distress. As Nate Silver has shown, the median household
income of a Trump supporter is $72,000 a year—20%
higher than that of supporters of Sanders or Clinton.iv Most
of Trump’s support comes from higher income earners in
the petty-bourgeois class. And there was no significant
turnout by white workers in the Republican primaries. The
white working class may have its problems, but supporting
Trump is not one of them. Heather Parton argues, “After all
is said and done…[Trump’s] supporters are primarily
motivated by racial and ethnic animosity and resentment of social change. There’s just no way around it.”

Clearly, white workers are facing severe distress. According to a recent study, from 1978 to 1998 the death rates of whites between the ages 45 and 54 fell by 2% a year. But since 1998 it has risen by half a percent a year. This rising death rate is highest among white women in small cities and towns and is mainly driven by alcohol and drug abuse and suicide. This clearly shows that we are living in the midst of an extraordinary degree of alienation. And this extreme alienation may well explain the spate of armed attacks against women, Blacks, youth, and LBGT people—including the attack in Orlando. Though the gunman claimed to speak for ISIS, he had only marginal affiliation with political Islam. But he didn’t have a marginal affiliation with sexism—he was a wife-beater. A sick society produces sick individuals. Economic explanations that do not address the psychic-affective dimension of alienation fail to grasp the depth of the present crisis.

Clearly, many are flocking to Trump over resentment of the gains made by women, gays and lesbians, and ethnic minorities. And it is no accident he comes on the scene just as a new generation of Black and Latino activists have arisen. Their protests against police abuse, prison incarceration, and economic injustice—often articulated through a ”black-feminist-queer lens”—has truly shaken up
U.S. society. If you need any proof, just look at Chicago—where the protests against police abuse, for a South Side trauma center, and against the closing of 50 schools in Black and Latino neighborhoods has made Mayor Rahm Emmanuel, the dear friend of Obama and Hillary Clinton, one of the most unpopular politicians in America. At the same time, we must not overlook the forces pushing against this. As we know from earlier moments of history, when anti-racist struggles put the spotlight on the Achilles heel of American civilization, the supporters of the existing state of affairs react with special venom and vengeance. *Such is happening today.*

What is also happening today is that the idea of socialism has been placed on the agenda—something no one would have expected a few years ago. True, Sanders’s “socialism” is a rather paltry version of European Social-Democracy—state-capitalism with redistributive measures. But that is less important than the fact that *ten million* voted for him because of his attacks on what is endemic to capitalism—economic inequality and insecurity. The question is what happens to those who voted for him now that Sanders will be campaigning for Clinton? Should his supporters become a pressure group inside the Democratic Party? Should they break free and form a new party? If so, what should its aims and purpose be?
These are open questions, waiting to be discussed. And Marxist-Humanists have to participate in the discussion! As Raya Dunayevskaya wrote in 1964, “The struggle for the minds of men must begin with a dialogue with the participants in the freedom movement who have themselves reached a turning point in their own self-development. It is necessary to jump off from that starting point; it is necessary to jump off, but not into uncharted waters.”

Many today have reached a turning point—but our dialog with them can’t proceed from “uncharted waters.” It must proceed from a body of ideas that has proven its objectivity—Marx’s Marxism and Marxist-Humanism. Only in that way can we raise the kind of questions that we all need answers for.

This becomes key, given when happened in Greece this year. A new leftwing party, Syriza, “did what the traditional way of doing politics dictates: supported social movements, built alliances, won a majority in the parliament, formed a government. We all know the results of such a strategy now”—it was a total failure. It caved in to the EU’s demands for austerity and is now administering it. This is indeed “a symptom of the deeper, structural weaknesses of the left” that we cannot afford to ignore. What is the point of building a new party from the Sanders campaign, running for office, and even gaining power—if the result is to be the same as in Greece? And it will be the same so long as what was missing in Syriza and in all of today’s movements—
even the best ones—remains missing: the development of a viable idea of what constitutes the alternative to capitalism. ix
No one has the answer to that question, including us, but we do have a body of ideas that can answer it. Working it out in dialog with others movements and individuals is our foremost organizational task. Developing a philosophically grounded concept of the alternative to capitalism defines the reason for the International Marxist-Humanist Organization to exist.

II.

No part of the world witnessed greater mass support for socialism over the past 15 years than South America. At a historic period when socialist ideas were in retreat worldwide, a series of powerful movements in Brazil, Venezuela, Bolivia (and to a less degree, Ecuador) helped bring progressive regimes to power that sought to challenge the dominance of capitalism. Today, however, this progressive cycle appears to have come to an end. Why is this so, and what can we learn from it?

In discussing this we must first underline their positive achievements. Each of these efforts at building a socialist alternative was largely democratic. They explicitly repudiated earlier Guevarist focoist as well as Stalinist insurrectionary models that sought to impose socialism by a
small minority. This is true of Chavez as well. He won four presidential elections, with huge popular support—and in all but the first he ran as an explicit socialist. Venezuela is not and never was a “dictatorship” under the Chavistas, as shown by the fact that the Right won this year’s elections for the National Assembly. *That just doesn’t happen in dictatorships.*

Second, these regimes came to power at the time when commodity prices were high, thanks to a booming Chinese economy. They were therefore able to generously fund social welfare programs, spur economic growth, and make major reductions in poverty on the basis of oil, gas, iron ore, soya, and other exports.

Third, unlike in earlier eras when U.S. imperialism could be counted on to overthrow any Latin American government inclined toward socialism, they were spared this fate (the exceptions being the abortive 2002 U.S.-supported coup against Chavez and Hillary Clinton’s shameful support of the 2009 military coup against Zelaya in Honduras). With the U.S. distracted by the war against terror and events in the Middle East, South America obtained a crucial breathing space.

All this represented a unique convergence of positive developments. But by now things are very different. Brazil is in chaos, its leftist president about to be impeached; Ecuador’s Correa has chosen not to seek re-election due to a
collapse in his popularity; Morales in Bolivia was denied permission in a national referendum to seek a third term; and Venezuela’s “Bolivarian Revolution” is in shambles.

What explains all of this? In Brazil, Lula’s Workers’ Party (PT) had already made the transition from radical militancy to Social Democracy by the time he won the presidency in 2002.\textsuperscript{xii} He then made a deal with the business classes: in exchange for not interfering with their privileges, they would not oppose his effort to redistribute value to the poorest Brazilians through an ambitious social welfare program. Prices of raw materials and commodities were high at the time, so exports went from 28\% to 41\% of GDP—generating considerable economic growth. Everyone seemed to gain: tens of millions were raised out of poverty by bolstering the minimum wage and providing cash payments to the poor through the \textit{bolsa familia} program, while corporate profits and output rose as well.

Yet Lula faced a political problem: as in the U.S., the winner of the presidency rarely gains the majority in parliament.\textsuperscript{xiii} Since he had no natural allies there, he had to stitch together a coalition with many smaller parties. To do so he followed the approach of those who preceded him—he \textit{bought} their support through cash payments. No one seemed to be concerned until export prices collapsed in 2011 (iron ore went from $180 to $55 a ton) and the economy tanked.\textsuperscript{xiv} Though Dilma Rousseff, Lula’s successor, promised to
continue his social welfare programs, her first act upon becoming re-elected in 2014 was to impose austerity.\textsuperscript{xv} Voters called it an \textit{estelionato}—an \textit{embezzlement}. The bloom was now off the PT.

Needless to say, it was only a matter of time before the Right went on the offensive by attacking the PT for “corruption”—as if their hands weren’t even dirtier.\textsuperscript{xvi} But what made it easy for the charges to stick is that by this time the forces that brought the PT to power are thoroughly demoralized. The trade unions and urban poor became passive recipients of government largess, while the PT chose to bypass popular organizations like the Landless Workers’ Movement for the sake of operating within the established state structure.\textsuperscript{xvii} As a result, the Left is now in the defensive position of supporting a former leftist who capitulated to neoliberalism in order to fend off a reactionary opposition that is determined to undo all of the reforms that the PT put in place.\textsuperscript{xviii} No wonder that the masses are not rushing to the barricades, even while denouncing the charade as a legal coup d’\textsuperscript{état}!

The problem is not only that the PT came to power by \textit{taking over} the state rather than \textit{smashing} or \textit{transforming} it— which is bad enough. It’s that once installed in statist institutions, radicals tend to replicate \textit{the statist way of doing things}—even when they come out of mass movements that are initially autonomous of the state. Over time, that leads to
the demobilization of the very forces that could advance the radical project. Moreover, since the property right of the bourgeoisie was never challenged, it was able to sit back and wait until the PT’s popularity ran adrift in the face of economic recession and political corruption—and then launch its *coup de main*. As a result, the government that has replaced Rousseff is the most reactionary since the military dictatorship of the 1960s.

It may *seem* that things are different in Venezuela—which pushed much more directly for a socialist transformation. But the appearance is deceptive. Here, a charismatic leader took over the *existing* state with the aim of redistributing value by nationalizing industries and embarking on an ambitious social welfare program. And Chavez was rather successful in this—as long as oil prices were over $100 a barrel. But the entire “Bolivarian Revolution” was based on a redistribution of *rent*. Little real productive investment in domestic industry or agriculture occurred, even when demand soared as rental income passed into the hands of consumers. By the time of his death, Venezuela was more dependent on imported food, clothing and medicine than when he came to power.¹⁹ When oil prices collapsed it was inevitable that inflation would take off and that its currency controls would be a disaster.

As Marxist-Humanists, we always kept a healthy distance from joining in the euphoria over the “Bolivarian
Revolution,” as we knew that it was based on non-viable premises. So what about the popular organizations—the cooperatives and communes—that were supposed to be its lifeblood? A strong supporter of the Chavistas, Claudio Katz, writes: “The exercise of communal power has been impeded for some years by a bureaucracy that is impoverishing the state. That sector would be the first to be adversely affected by democracy from below. Maduro has now installed a national assembly of communal power. But the verticalist functioning of the PSUV and the hostility toward more radical currents impede this initiative.”

This is a rather fantastic admission—given that the Chavistas have been in power for 17 years! It’s only now that a national assembly of communal power is installed? *What were they waiting for?* And how can you have genuine “democracy from below” when state power has been captured *and maintained* from above? Just as you can’t *try* to be spontaneous (Hillary has a real problem here) a political project that takes hold of the existing state cannot *try* to ensure the spontaneous activity of the masses. And how can you move in the direction of socialism when the motor of the co-called “revolution” is the party-state organized, by Katz’s own admission, along “vertical” lines? In a word: mass self-activity is not produced, impelled, or even inspired by the mechanism of a state that has fallen into the hands of a radical party that is distinct from it. There
is no way to make a transition to socialism by ignoring the state; but neither is it possible to make an effective transition through the existing form of the capitalist state. Marx understood this very well, which is why he spoke of the “non-state form” of the Paris Commune, which Engels called a “state of an entirely new type.” And it is why Lenin, building on Marx’s *Critique of the Gotha Program* in his 1917 *State and Revolution*, argued that *smashing* the state is the *prerequisite* for a successful socialist transition.\textsuperscript{xxii}

The whole Bolivarian model was simply *politically* non-viable. Yet what about *economically*? Speaking of South America as a whole, Katz states that the progressive regimes failed “to finance productive undertakings using the rent from agricultural production and mining.”\textsuperscript{xxiii} But why did they fail to do so? He says the reason is that Chavez’s state was insufficiently centralized and so lacked the power to *force through* productive investment.\textsuperscript{xxiv} He fails to see that it is much harder to use state power to spur productive investment than to redistribute income—precisely because the state is as subject to the laws of the world market as anything else.\textsuperscript{xxv} Specifically, what plagues Latin America is the same thing that plagues the world economy—the decline in the rate of profit. Since capital follows the path of higher profitability, low profit rates in sectors like manufacturing that have a high organic composition of capital leads value to migrate to the financial sector—where returns are higher,
even though based on speculative illusion. Hence, as income from exports and consumer spending rise, the stimulus from the demand side that could usually be counted on to spur new productive investment proves illusive.

Dunayevskaya saw this long ago, in *Philosophy and Revolution*: “To plan or not plan is not the decisive question. The state of technological development and the accumulated capital are the determinants, the only determinants when the masses are not allowed their self-activity.”

Herein lies the economic non-viability of all distributive, state-capitalist measures that are called “socialist.” Just as the decline of living labor relative to dead labor severely restricts manufacturing capital from pulling capitalism out of its endemic crises, so that very tendency constricts the ability to use the state in its existing form as an instrument of emancipation. *The same drive and tendency that renders industrial labor increasingly precarious makes the state more vicarious.*

III.

In his comments on the Call for the 2016 Convention of the International Marxist-Humanist Organization, Karel Ludenhoff called attention to a key concept that we always need to keep in mind in thinking about alternatives to capitalism. It is “Two Types of Subjectivity,” originally
developed in chapter 18 of Dunayevskaya’s *Marxism and Freedom*.

The first kind of subjectivity skips over or ignores objectivity: it rushes to the absolute without grasping *development through contradiction*. Surely, no alternative to capitalism can emerge if one does not pay careful attention to socio-economic realities. Their analysis is not a mere prelude to rush past to reach “the philosophic stuff.” That is a petty-bourgeois voluntarist kind of subjectivity—expressed not only in Mao, but also in Sartre, Adorno, and their recent progenies, the postmodernists. The second subjectivity, in contrast, absorbs objectivity, “that is, through its struggles for freedom it gets to know and cope with the objectively real.”xxviii

So what is *new* in today’s socio-economic situation that we need to take notice of? What has gained much attention recently is the extent to which automated devices are rapidly replacing living labor—to the point that as much as 47% of existing jobs will be automated out of existence in the next 25 years. xxix This is no big surprise, since we all know that Marx showed that the logic of capital is to progressively increase the domination of dead over living labor.

What *drives* this is *the dual character of labor*. According to Marx, not just any kind of labor creates value. Only a particular kind of labor does so—*abstract labor*. Labor becomes abstract through the instrumentality of socially
necessary labor time. We must never forget that the value of a commodity depends not on the actual amount of labor time that it takes to produce it, but on the average amount of time that is necessary to produce it on the world market. The relative proportion of living to dead labor (capital) progressively declines, since the best way to augment value is invest in labor saving devices that pump out greater amounts of value in less time.

Some claim that this renders Marx’s value theory of labor obsolete. Not so. This domination of dead over living labor corresponds to the logic of capital as spelled out in the three volumes of Capital. Some claim that this will lead by itself to an end of wage labor or alienation. This is also not so. As manufacturing labor is replaced, more and more areas of work that were outside the domination of capital—like the service sector—becomes subject to the logic of capital. Hundreds of millions of new wage laborers have been added to the global work force in the past two decades, and hundreds of millions more will soon join it as the wage form is extended to previously untouched domains.

Of course, service work is also becoming increasingly automated. But not all labor can be automated, since there are certain jobs that machines can’t do—like those involving empathy, care, nurturing, and critical thinking. But capitalism will do its best to try to commodify these kinds of labor as well, precisely because the relative amount of living
to dead labor in other areas will continue to shrink. Since labor is the only source of value, and dead labor keeps growing at its expense, capitalism must find new ways to pound ever-more concrete labor into abstract labor in order to reproduce the value of the accumulated capital.

This portends a future in which “robots and digital agents have displaced significant numbers of both blue and white color workers…[which] will lead to vast increases in income inequality, masses of people who are effectively unemployable, and breakdowns in the social order.”xxxiv Herein lies the destructiveness of the logic of capital. Workers become increasingly expendable, joining the reserve army of the unemployed. Nature becomes increasingly commodified, as capital undermines and destroys it as part of augmenting value. And society becomes ever more alienated, as the bonds that connect individuals fray to the point of non-recognition.

It is not a pretty picture—not least because the logic of capital does not, by itself, lead to the transcendence of capitalism. Capital is not the emancipatory alternative. Its logic instead undermines the very basis of human and natural existence. Socialism cannot arise unless it emerges from the material conditions of capitalism, but those conditions do not by themselves bring forth any new society. *It is human beings who bring forth the new society.* One way to make this clear is to connect the issue of class to race. No
one needs be told of the huge contribution that Black labor made to the industrialization of America. So why have Blacks been so disproportionately impacted by deindustrialization? Clearly, because we live in a society that does not provide recognition to people of color, that does not see them as “valuable.” The worker “in general” does matter—at least at first. She is needed to produce value. So the worker’s subjectivity is not completely effaced, even as capital severely suppresses it. But once the Black worker is cast out of work, her subjectivity is completely effaced insofar as she has been denied recognition by a society that fails to see her for who she is because of her skin color. In this sense, we can view the effacement of black subjectivity as an anticipation of the ultimate logic of capital, in which workers’ lives no longer matter once they can be replaced by a machine. Simply put, the logic of capital is one of absolute and total dehumanization.

However, just as Frantz Fanon shows that the absolute denigration of the Black who is denied recognition to the point of inhabiting a “zone of non being” leads her to stand up and shout with pride and determination her blackness as part “screaming against the curtain of the sky,”xxxv so the dehumanization of the whole of humanity by capital can and will be met with the effort to find the positive from out of the negative by reclaiming the humanism that has been alienated from us. And yet and yet and yet…today’s realities
suggest that we cannot just sit back and wait for this to happen, since what is clogging up the voice of the oppressed subject, and making it harder than ever for it to express “the self-determination in which alone the Idea is, is to hear itself speak,”xxxvi is the fact that “nowhere in sight, not even in telescopic sight,” is there an answer to that pivotal question—what happens after the seizure of power?xxxvii What happens after the revolution? What is the alternative to capitalism? Posing, raising and working out this question is why we exist as an organization. Which is why this year we are planning to publish Marx’s Critique of the Gotha Program, along with an introduction by ourselves.

This is one way we seek to concretize the second kind of subjectivity, which “through its struggles for freedom gets to know and cope with the objectively real.”

IV.

There is no time here to go into detail about Marx’s Critique of the Gotha Program or give an outline of the Introduction. I do wish to single out the following:

First, the key issue in the Critique is time. In capitalism, where labor is subjected to socially necessary labor time, we are not in control of time. Time is in control of us. Time takes on the form of a fixed, impermeable, and abstract force that confronts us as a person apart. For Marx, it is
impossible to exit from capitalism unless this tyranny of abstract universal labor time is abolished. This, and not the abolition of the market or private property, is the pivot of his concept of socialism.

Second, Marx’s *Critique* is not a model of how a new society ”ought” to function. He is instead demonstrating how time would function in a radically different manner once the producers control the means of production and break from value production. His discussion is suggestive; it is not a blueprint that can be read as the only way things can or should be organized in a post-capitalist society.

Third, the *Critique* is an *organizational* document—even if implicitly—since it is a critique of a party program. Hence, it can give us a fuller idea of the function and purpose of a Marxist organization: namely, to spell out the goal of proletarian revolution. That is a consciousness that humanity *must* attain, “even if it does not want to”—since without it, anti-capitalist struggles can lead to a cul-de-sac.

Fourth, we are not the only ones discussing the *Critique*. Many recent works have appeared on it, the latest being Michael Lebowitz’s new book, *The Socialist Alternative: From Gotha to Now*. We need to enter these debates as an organization.

Now to the *Critique* itself: It distinguishes between a lower and higher phase of socialism or communism. In the lower
phase, “the producers do not exchange their products; just as little does the labor employed on the product appear here as the value of these products...” Generalized commodity exchange is possible only if there is a social substance—abstract labor—that enables products of labor to be universally exchanged. But with “common ownership” of the means of production, abstract or alienated labor comes to an end. Since abstract labor is the substance of value, value production also comes to an end at the most initial phase of socialism.

Marx is pointing to a radical break between capitalism and the most “initial phase of a new society. “Socialism” is not, for Marx, an equitable distribution of value. It represents the abolition of value production itself, from its first moment of emergence. This is still only an initial phase, however, since an exchange of equivalents continues to prevail—albeit in a radically changed form: “The individual producer receives back from society—after the deductions have been made—exactly what he gives to it. What he has given to it is his individual quantum of labor.” Individuals receive from society a voucher or token that they have “furnished such and such an amount of labor (after deducing his labor for the common funds)” and from it obtain from “the social stock of means of consumption as much as the amount of labor costs.” Marx is not suggesting that the worker’s labor is computed on the basis of a social average of labor time.
Here, labor time simply refers to the amount of actual hours of work performed by the individual in a given community.

Nevertheless, the form of remuneration in the lower phase is *defective*, since it is based on a *quid pro quo*. The individual receives from the community what she puts into it, in the form of actual hours of labor time. Exchange *value* is abolished, but exchange based on an “equal standard”—*actual amounts* of labor time—persists. Since some may work longer hours than others there will be inequities in the amount of remuneration. The application of an equal standard—remuneration according to actual labor time—produces *unequal* results. Classes cease to exist, but not social differentiation based on levels of remuneration. This is inevitable, since “Right can never be higher than the economic structure of society and its cultural development which this determines.”xli In contrast, when we reach a higher phase of communism, a different principle prevails—“From each according to their ability, to each according to their need.”xlii No longer is remuneration based on the amount of labor time contributed by the individual. Actual labor time ceases to be a measure of social relations. No “equal standard” of any sort applies to a higher phase. The producers simply withdraw from the common storehouse what they need, and they give to society what they can, based on their natural and acquired abilities. But this can
only emerge after we have rid ourselves of the birthmarks of the old society.

Marx’s concept of the phases of communism should not be confused with “the dictatorship of the proletariat,” which he defines as a political transitional stage between capitalism and communism. The Critique clearly states: “Between capitalist and communist society lies the period…in which the state can be nothing but the revolutionary dictatorship of the proletariat.”xliii The latter represents the democratic control of society by the “immense majority,” the producers, who use political power as a lever to eliminate class domination by revolutionizing the social relations of production. Marx uses the word “dictatorship” in terms of how it was understood in ancient Rome, where a magistrate was elected by the Senate for a limited period of time to deal with an emergency. It has nothing to do with later concepts of a prolonged “transitional phase” led by a vanguard party. For Marx, once the old mode of production is negated through a revolutionary process the dictatorship of the proletariat becomes superfluous, since with the abolition of class society and value production the proletariat is abolished alongside all other classes.

By confusing the “dictatorship of the proletariat” with the initial phase of the new society, post-Marx Marxists have assumed that the state—which in some form prevails in the political transition period—also continues to dominate in socialism. That this was never Marx’s position, however, is clear from his actual writings, which nowhere equate
socialism or communism with state domination. For Marx, the state is an "excrescence" of class society that is superseded in socialism.

Although Lebowitz devotes 34 pages to the Critique, he is by no means on the same wavelength as Marx. First, he argues that “the Unity Congress at Gotha”—which was the object of Marx’s fierce critique—“was a great success, a step of real movement.” So why did Marx threaten to break off all relations with his followers over it? And why did Engels publish it in 1891 when he realized that the Erfurt Program was repeating many of its errors? Second, Lebowitz identifies the “defect” of the lower phase of socialism as the contradiction between “the private owners of labor power that is inherited from capitalist society” and socialized production. However, Marx’s Critique says absolutely nothing of this. Nor could it, since, as Marx clearly states, the lower phase is defined by “collective society based on common ownership of the means of production.”

Third, he reads into Marx’s Critique the fantastic claim that the state is needed to suppress private ownership—not only in the lower phase of communism, but in a higher one as well! He writes, “We build communist society upon its own foundations by developing new communal relations of production that subordinate the private ownership of labor-power by creating a new state.” Please note that “upon its own foundations” is
Marx’s formulation of a higher phase of communism. Through a sleight of hand Lebowitz has imported the state not just into the lower but also into a higher phase of communism! Simply put, he fetishizes the state to the point of making it an eternal fact of human existence.

It is hard to imagine how Lebowitz can get it so wrong. Is he incapable of reading what is on the page—or is he blinded by his political prejudices? Perhaps it is both. Lebowitz, an apologist for Chavez, appears to be reading into Marx’s *Critique* the limitations of the “Bolivarian Revolution,” which allowed the “private ownership of labor power” by the bourgeoisie to coexist with the regime’s effort to promote nationalization of property and industry. Like many Chavistas, he thinks only a strong, centralized state can ultimately resolve that contradiction. That is his right, but of course Venezuela is very far from being a socialist society. By reading into Marx’s *Critique* the limitations that define the Venezuelan experience, Lebowitz reduces Marx’s magnificent vision of human emancipation to statist domination.

V.

It is important to keep in mind that while Marxist-Humanists reject the vanguard party form of organization, we do not underestimate the need for an organization centered on a
core set of principles and organizational structures. Both of these are spelled out in our Constitution. It took two years for us to formulate it after our founding, and it very carefully delineates the political-philosophic principles of Marxist-Humanism as well as the requirements of membership.

So how can we engage those ideas more closely? One is having an organization-wide series of discussions on alternatives to capitalism that would explore works of Marxist-Humanism that address this issue. We may also want to have some extensive discussion and study—always involving non-members as well—of how our ideas address questions of race and racism. There is a huge amount on this—from Dunayevskaya’s 1944 writings on ”Marxism and the Negro Question,’ which situated the Black struggle in the context of Marxist concepts of national self-determination, to American Civilization on Trial, to her essays on James Baldwin, Malcolm X, Richard Wright and writings from Africa in the early 1960s—not to mention our more recent writings on Fanon and Marx at the Margins.

At the same time, Marxist-Humanism’s body of ideas includes specific organizational practices. This, unfortunately, is often overlooked. Taking for granted the ideas of Marxist-Humanism as developed by Dunayevskaya is bad enough, but overlooking the organizational practices that are integral to them is hardly better. Let’s recall what Wilhelm Liebknecht, the leader of the German Social
Democrats, said when he was sent Marx’s critique of the Gotha program in 1875: “Theory and practice are two different things. As unconditionally as I trust Marx’s judgment in theory, so in practice I go my own way.” The attitude that one can follow a set of ideas while ignoring its concept of organization has plagued Marxism from that day on. Surely, we cannot fall into such a division of theory and practice when it comes to being committed to Marxist-Humanist principles. These include:

1. A unity of worker and intellectual. It is a principle that intellectuals need not just to “do” theory but listen to workers. Practice is a source of theory, and intellectuals need to be willing to surrender their prerogatives in being the initiators of all thought. Workers too can be philosophers. This is why we always had the principle that everyone—no matter how new—should be encouraged to speak at meetings and discussion should not be dominated by a few.

2. A unity of inside and outside. As part of our break from elitist concepts of organization, it was a key principle never to hold members-only meetings except when it was necessary to conduct business that in principle could not be done in public. Since we want to involve non-members in our work, activities and organizational business should, where possible, be part of our educational.
3. *A unity of theory and practice.* We are centered on a philosophy, but we are not just a study group of loosely connected individuals. Our ideas have to be tested in the outside world by engaging those who are not now in the IMHO—by attending movement events, doing work with other groups, holding regular public forums, engaging in ongoing dialog with others through our web publication, etc.

4. *A unity of philosophy and organization:* We know that “the organization question” has not been resolved—including by us. Neither rejecting the vanguard party nor accepting the decentralized committee form resolves the dialectic of organization. But we must work to resolve it, and it cannot be done without being as attentive to organizational issues as to all other forms of human relations.
The hypocrisy of the liberals in denouncing Trump—including Hillary Clinton, to the extent she can be called one—is truly galling when we consider how spineless they have proven to be when it comes to forcefully combatting the Right. If the liberals fought for their presumed principles as strongly as the conservatives fight for theirs, it is quite possible we wouldn’t even be dealing with a Trump. As Marx wrote in *Herr Vogt*, “The liberal outcry that follows an age of reaction is all the louder the greater the cowardice displayed by liberals in putting up with the reaction for years on end without protest.” See *Marx-Engels Collected Works*, Vol. 17 (New York: International Publishers, 1981), p. 67.


By especially rough, I am referring not only to a future economic recession or depression, which will prove much harder to deal with than the one in 2008—thanks to today’s high levels of debt, low interest rates, and lack of institutional support for stimulus spending. Even more threatening is what will transpire once the impact of global warming becomes unmistakable and is met by massive migrations from coastal areas and extreme social unrest.


v “Birtherism and Bigotry: These Are the Vile Impulses Driving Voters to Trump; Stop Thinking Its Anything Else,” by Heather Digby Parton, Salon, June 2016.

vi Ibid.

vii See The Turning Point (Draft Perspectives Thesis of July 1964), in The Raya Dunayevskaya Collection, p. 3781.


ix We should recall that Yanis Varoufakis, Syriza’s former Finance Minister who resigned over his opposition to Syriza’s capitulation to the austerity measures, stated at numerous times that the lack of a coherent alternative to capitalism was among gravest problems facing the European Left.

x The extent to which the Latin American left of the 1960s and 1970s almost universally embraced elitist models of revolution is exhibited in how even many of the Trotskyists in Bolivia in 1971, in the period of the People’s Assembly, favored a military coup to overthrow the oligarchy and usher in ”socialism.” Leftist support for the military regime of Juan Velasco Alvarado in Peru (who introduced important social reforms from 1968 to 1975) is another case in point. Although Chavez began his political career as a golpista in 1992, he quickly learned the futility of such an approach and embraced the democratic path, winning his first election in 1998.
Given the history of Latin America, this was an extraordinary development—especially considering that a popular regime did not have to be inclined toward socialism for U.S. imperialism to seek to destroy it. Simply being devoted to modestly raising the living standards of the masses was enough—as in Guatemala 1954, The Dominican Republic 1965, and countless other examples.

Lula ran (unsuccessfully) for the presidency three times before finally winning in 2002. The evolution of the PT into a moderate Social-Democratic party from its workerist-revolutionary origins is at least in part a reflection of a global shift in leftist ideology following the collapse of the Soviet Union.

There are at least 22 political parties in the Brazilian parliament. Many of them exist for no other reason than graft and obtaining government largess.

This collapse in commodity prices—which impacted a wide range of exports—was directly related to the economic slowdown in China, Brazil’s largest trading partner. But it was also an after-effect of the Great Recession of 2008.

Lula had also briefly imposed austerity in his first term in office, but it was followed by rapid economic growth and was quickly forgotten. Rousseff may have imagined that her imposition of austerity would have a similar effect, but Brazil’s economy was in a very different position by 2014 from what it had been under Lula.

Rousseff is not actually accused of personal corruption but of inappropriately transferring funds from the state-owned oil conglomerate to the government in order to cover over the extent of a budget deficit. However, it is common
knowledge that both Lula and Rousseff bought the support of numerous parties in the parliament—some of which have now hypocritically turned against them.

Perry Anderson, “Crisis in Brazil,” London Review of Books, April 2016: “But not only had here been no political potentiation of energies from below. The style of material benefactions of the regime created little solidarity.”

See “The Crisis in Brazil”: “The PT believed, after a time, that it could use the established order in Brazil to benefit the poor, without harm—indeed with help—to the rich. It did benefit the poor, as it set out to do. But once it accepted the price of entry into a diseased political system, the door closed behind it.”

In 2000 Venezuela imported almost 90% of its food; in 2014 it imported over 95%. Today, food shortages have become so egregious as to spark rioting.


In response to the serious threat now posed by the Right—which is trying to remove Maduro from power and undo the reforms of the past 15 years, with plenty of encouragement from the U.S.—radical tendencies among the Chavistas are arguing for a preventive attack on bourgeois interests before it is too late. In principle, we have no problem with this approach, which would include arming the masses against the Right and challenging the property right of the bourgeoisie. The question is whether it’s a bit
too late for all that, given that so much of the populace has been alienated from the Bolivarian "Revolution" because of the collapse of living standards, widespread corruption, and clientelism. Moreover, do these more radical tendencies have a conception of socialism that goes much further than Katz’s insistence of developing an even stronger, more centralized state?

xxii See State and Revolution, by V.I. Lenin (Moscow: Progress Publishers, 1972), p. 35: “Marx’s idea is that the working class must break up, smash, the ‘ready made state machinery,’ and not confine itself merely to laying hold of it.” If only the innumerable “Leninists” who followed had adhered to this insight!

xxiii “Is South America’s ‘Progressive Cycle At an End?’”

xxiv Katz is undoubtedly unfavorably comparing Venezuela to Cuba, which was able to survive the emergency measures imposed during “the special period” after the collapse of the USSR. But Cuba is of course a single-party Stalinist state—something that Venezuela is not. And Cuba’s highly centralized state has hardly enabled it to make great advances in productive investment: it has one of the lowest levels of labor productivity in the world and (by Raul Castro’s own admission) employs over half a million people on the state payroll who effectively do nothing.

xxv It goes without saying that states are fully capable of engaging in industrial policy and steering capital toward any number of sectors, including manufacturing. China has been doing this for years, by propping up numerous state-owned enterprises in the manufacturing sector. At issue is whether such investment is sustainable in the long run when profit
rates remain low. China has been able to sustain its huge subsidies of state-owned enterprises by running up massive debt, which it has so far been able manage thanks, in part, to massive capital investment from overseas (how long this can continue is another matter). This state-led industrial policy has produced serious economic inefficiencies and distortions, as its rulers well know—but they are worried that curbing them (such as by reducing the amount of capital invested in state-owned enterprises) will result in massive layoffs and social unrest. In any case, Venezuela is in no position to follow China’s example even if it wanted to, since its entire economy is dependent on oil exports and it lacks a sizable industrial base.

xxvi In Brazil such financialization led to an enormous rise in real estate and housing prices—pricing much of the working class out of a home. Brazil has six million homeless and seven million empty homes that are held for real estate speculation by financial interests. Something similar is occurring in Bolivia, where Morales has kept interest rates artificially low—thereby spurring an over-heated housing market in urban areas. Many of the properties are purchased by Bolivians living overseas—much to the delight of an emerging Aymara bourgeoisie. Meanwhile, the rural areas remain cut off from development and are immersed in poverty.


There are many examples of this, such as the proletarianization of academic labor through the use of adjuncts. This also explains why there is such a fervent attack on public education today: public education is largely outside the value form, and privatization, standardized tests, and MOOKS are attempts to end that.

For Marx, the difference between productive and unproductive labor does not depend on the specific kind of concrete labor done by the worker—for instance, a factory worker versus a musician. As he states in Capital, a musician playing the piano in his home to amuse himself is an unproductive worker in the eyes of capital insofar as his activity does not augment surplus value; but the same musician working in a for-profit orchestra is a productive laborer insofar as his activity does augment surplus value. And of course in that position he is a wage laborer.

It may seem ironic that the skills that clearly cannot be done by machines—such as those based on empathy and critical thought—are the very ones being downgraded in
importance in educational systems worldwide. This too makes perfect sense—from the standpoint of capital. For the only thing that “counts” in the eyes of capital is that which can augment (abstract) value. Empathy and critical thought clearly get in the way of that.

“Artificial Intelligence, Robotics, and the Future of Jobs.”


For the context in which Dunayevskaya used this expression, see “Another Talking to Myself, this time on what happened since ‘Not by Practice Alone,’ 1984-87” [May 13, 1987], Supplement to the Raya Dunayevskaya Collection, p. 10955.

See Marx, “Letters from the Deutsche-Franzöisische Jahrbücher,” in Marx-Engels Collected Works, Vol. 3 (New York: International Publishers, 1975), p. 144: “We do not confront the world in doctrinaire way with a new principle: Here is the truth, kneel down before it! We develop new principles for the world out of the world’s own principles. We do not say to the world: Cease your struggles, they are foolish, we will give you the true slogan of struggle. We merely show the world what it is really fighting for, and consciousness is something that it has to acquire, even if it does not want to.” This statement is completely in accord, it goes without saying, with the Hegelian notion that the object generates its own categories of knowledge.
xl Ibid., p. 86.
xli Ibid.
xlii Ibid., p. 87.
xliii Ibid., p. 95.
xliv Marx asks in the Critique, “The question then arises: what transformation will the state undergo in communist society? In other words, what social functions will remain in existence that are analogous to present state functions?” Many writers on the Critique cite the first sentence, but not the second—thereby obscuring the difference between a state and the functions now performed by one (representative bodies, coordinating bodies between cooperatives, etc.) which in the future can be handled without a state. The German original, which uses the term Staatswesen instead of Staat, clearly points to this difference: “Welche Umwandlung wird das Staatswesen in einer kommunistischen” See Marx-Engels III: Studienausgabe, Geschichte und Politik (Frankfurt am Main: Fischer Bücherei, 1966), p. 186.
xlv See Marx’s Ethnological Notebooks, transcribed by Lawrence Krader (Assen: Van Gorcum, 1972), p. 329: “Maine ignores the much deeper point: that the seeming supreme independent existence of the State is itself only seeming and that it is in all its forms an excrescence of society; just as its appearance itself arises only at a certain stage of social development, it disappears again as soon as society has reached a stage not yet attained.”
xlvii Critique of the Gotha Program, p. 85.
xlviii The Socialist Alternative, p. 71.