

H. Brand

I accept for the sake of argument Bob Heilbroner's way of posing his initial question, although he phrases it in terms (so it seems to me) of two separate, static forms of social governance—when in reality, capitalism and socialism are processes that interact and are carried on by social groups or classes in sometimes cooperative, often hostile ways. Furthermore, although I sympathize with Heilbroner's need to limit the analysis by restricting the outlook for democratic socialism to the advanced countries, we must note that much of the renewed dominance of capital stems from the enormous pressures on wages and social entitlements exerted by the competition of the poorer countries and the seemingly unstoppable migration of their redundant work force. So the questions Heilbroner raises have too narrow an ambit, they are too abstract, and I don't see where they go "to the heart" of the outlook for democratic socialism. Yet I'll try to deal with them briefly, one reason for this being that I cannot formulate them much better.

1. *Corporate structure.* This question cannot be cogently answered in ignorance of the cultural and historical setting of a given society. My inclination is to reduce the influence of shareholders drastically, because shareholders are not producers, and to reinvest or tax away dividends. But how would management then be controlled? Can it be inspired by an ethos of social responsibility? Would a tripartite board of directors—representatives of the public, labor, and major consumer groups—be effective? How could a progressive role for its financiers—the banks, the state perhaps, the capital markets—be ensured? I believe these are problems for an evolutionary socialism, for a kind of Deweyite social intelligence. Even Keynes did not despair of them, although his historical vision was foreshortened.

Furthermore, I believe that the state must ultimately guide all *major* investment in productive equipment and structures, human resources, and social infrastructure. This role for the state remains, notwithstanding all that

has happened in Eastern Europe, a central problem, perhaps the central problem for social democracy and democratic socialism.

2. *Decommodifying labor.* At a time when labor is increasingly threatened by *recommodification*, as witness the weakening of trade unions, the stagnation of purchasing power, the erosion of social entitlements, should we be concerned about people refusing "unwelcome" labor as a core problem of a socialist society? The abstractness with which Heilbroner poses the question, disturbs me. Also, he overlooks the fact that the refusal to perform unwelcome labor has been recognized even in American labor law. Unemployment compensation cannot be refused to a jobseeker who declines work outside his or her regular occupation. It is true that this has been more and more circumvented. A jobseeker can no longer decline lower-paid work without endangering his or her compensation rights; employers can readily find persons (for example, immigrant foreigners) for whom no work is unwelcome.

The decommodification of labor is one of those processes, alluded to earlier, in which capitalist requirements and labor's—or socialist—objectives clash. In *Politics Against Markets: The Social Democratic Road to Power*, Gosta Esping-Andersen writes:

Social democratic class formation . . . is first and foremost a struggle to decommodify labor and stem market sovereignty in order to make collective action possible. Only when workers command resources and access to welfare independently of market exchange can they possibly be swayed not to take jobs during strike actions, [and] underbid fellow workers. . . .

Esping-Andersen defines the decommodification of labor in terms of collective social services, unemployment and sickness compensation, employment security, and general income maintenance. The attainment of these entitlements represents more than the creation of "amenities" in a capitalist economy. It also diminishes the reach of the market and the domination of capital over resources. It establishes, if you will, a socialistic terrain,

although this terrain remains contested by privatization drives.

3. *Integration in the world market.* Here I cannot follow Heilbroner's argument. He seems to believe that in order to establish socialism, his imaginary Sweden must disentangle itself from the world market, and that this would entail a change if not a decline in its standard of living. He evidently rejects the notion that socialism without autarky is possible. The evidence for this notion is the autarkic regimes of Eastern Europe, all of which closed themselves off against the world markets and all of which broke down. This implies that either your economy is integrated in the world market—then you can have a high standard of living, but no socialism. Or it protects itself against the world market—then your standard of living won't be great, but you'll have socialism. I believe this to be a false dilemma.

The history of international institutions over the past century depicts a struggle to curtail the reach of the world market or at least to regulate it. No matter that this effort more often failed than succeeded; it was perennially renewed. I cite only the work of the International Labor Office in setting work standards and seeking adherence to the codes to which its member countries agree. Perhaps standards of living in the "advanced" countries will have to be reduced—but not so as to bring socialism to an imaginary Sweden. Rather, the threat of political instability and migration pressure may

well make large-scale investment and consumption aid imperative (as the recent \$3 billion loan by Germany to the Soviet Union indicated); and such aid can only be extended at the expense of living standards now enjoyed in the potentially aiding countries. It would be a manifestation of worldwide socializing tendencies; I am sure that Gunnar Myrdal would have so interpreted this development, and that Willy Brandt would be inclined to do so, and would even urge its intensification.

4. *Bourgeois life.* If living standards may be capped or reduced due to the imperatives of an international redistribution of income, they may also be impinged upon by environmental concerns, unless technologies are developed and resource planning is instituted that overcome such concerns and enable a shift in standards of comfort rather than necessitate a cut in them.

But leave these considerations aside; Heilbroner implies a civilizational change, even as he speaks of a "visitor" who, after all, "envisages" or sees two different societies, one capitalist, the other socialist. And what symbolizes the heart of their difference better than, for capitalism, the New York skyline and the power of capital it proclaims, and, for the socialist future, the campuslike setting of more and more industries, indicating their knowledge-based activities? The intelligence of power being displaced by the power of intelligence—that would be the promise of a civilization based on democratic socialism.

Mitchell Cohen

Why go beyond an advanced welfare state—beyond what Robert Heilbroner calls "real but slightly imaginary" Sweden? How would the passage from welfare state to "socialism" be manifest?

To create a more democratic society. By expanding substantive, that is, social and economic in addition to political, democracy.

If we postulate that these aims are pursued by reformist means, then the "goal" would not be evident at first glance; nor would there be a "last glance" upon something comprehensively

defined. Jean Jaurès provided the metaphor (which I'll amplify): a hemispheric border is not immediately visible to passengers on a ship as they cross the sea. Conflicting gales may press them back and forth, tempestuous travel trying the craft's seaworthiness. Yet if they persist, the voyagers eventually perceive that new waters have been reached.

These new waters are not enclosed. Nor are they frozen. They do not represent an *endziel*, or final goal, but rather an opening of possibilities. The point, to paraphrase Marx, is