

## **On the Miseries of Neoliberalism: First Suturing Some Wounds and Then a Cure**

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### I

I want to strike a blow for what Pierre Bourdieu, following Ernst Bloch, calls *considered utopianism* as over against what he calls *banker's fatalism*. Banker's fatalism is the belief, or so these capitalists want us to believe and take to heart as the lessons of non-evasive rationality, that "the world cannot be any different from the way it is—wholly amenable, in other words, to the interests and wishes of bankers" (Bourdieu 1998a, 128). Put in more conventional and less hyperbolic terms, I want to strike a blow for socialism and against capitalism. I want, after some stage setting, to in urging this considered utopianism to do so by explaining and defending two possible parts of such a utopian project. Otherwise put, we have two possible starting points—I do not say they are the only starting points—in the carrying out of such a utopian project. The first is an argument for an unconditional guaranteed basic income, something that could be instituted in the more progressive rich capitalist societies (e.g. Sweden) and carried over into socialism. Secondly, I want to argue for market socialism, something which could be *instantiated* only after the transition, however it is to be accomplished, to socialism. However, an *understanding* of it and an *appreciation* of its *feasibility* in socialist societies, standing where we stand now mired in a globalized neoliberal world order, might do a little something to facilitate this transition. Capitalists, of course, will oppose it as fiercely as they do any form of socialism where they think it might possibly take root. Where they think it is just the babble of a few disgruntled intellectuals they will, following Bismarck, paternalistically ignore it or indeed even exploit it. (Remember Bismarck's contemptuous remark, "Let them talk as long as they obey.")

They might, always with an eye for making money, even make a little money from it as they did in the 1960s, crediting the capitalist order in doing so with a respect for freedom of speech. But market socialism as much as the traditional forms will be savagely opposed by capitalism where it is thought that anyone, or at least anyone who might count, is listening where 'who might count' comes to who might disrupt or in some way challenge the capitalist social order with its hegemonic control of the world. So market socialism has no advantages over the traditional forms of socialism in this respect. But more so than the traditional forms, it might, just might, if intelligently presented and argued, *eventually*, rather surreptitiously, gain a foothold with the general population. At least we socialists have a fighting chance here. We *might* get the bug out of the bottle long enough to make it very difficult, if not impossible, for capitalism to force it back in. We can hardly say what the probabilities are here, but that is generally true of socialist or any large scale strategies for action. But—and for that reason alone making them somewhat suspect—arguments for a basic income might have an easier ride in some rich capitalist societies than a consideration of market socialism. Still a basic income for all, if it were pitched at a reasonable level, would make life for many people somewhat less miserable and less alienating than it is now, situated as we are in a neoliberal Leviathan. Moreover, it would do something, though not a lot, to aid in the empowering of more people. We should also not despise that amelioration and what might be a meager empowerment of the masses. A seizing of the day by socialism in whatever form it takes is not likely to be made where the non-capitalist classes are very weak and despairing: where the level of domination and alienation is very high, very pervasive and perceived to be omnipotent. Cynicism is not a very good basis on which to build socialism. Unfortunately, none of us know how to get from capitalism to socialism. We do know, of course, that capitalism, no more than any other mode of production, will be eternal. But that is cold comfort. It still might be around for a very long time. But we do have pretty good reason to believe that we will not move towards socialism by helping to make things worse so that they can get better. 'After Hitler, then us' was never a good strategy. So we, soldiering on, need to start from where we are and try to see what can be done. So I will argue in the

face of the pervasiveness and power of neoliberalism first for an unconditional guaranteed basic income—what some call citizenship income—and then for market socialism.

But first for a little more stage setting and here I am indebted to Pierre Bourdieu. He remarks:

Let us acknowledge the fact that we are currently in a period of neoconservative reconstruction. But this conservative revolution is taking an unprecedented form: there is no attempt, as there was in earlier times, to invoke an idealized past through the exaltation of earth and blood, the archaic themes of ancient agrarian mythologies. It is a new type of conservative revolution that claims connection with progress, reason and science—economics actually—to justify its own re-establishment, and by the same token tries to relegate progressive thought and action to archaic status. It erects into defining standards for all practices, and thus into ideal rules, the regularities of the economic world abandoned to its own logic: the law of the market, the law of the strongest. It ratifies and glorifies the rule of what we call financial markets, a return to a sort of radical capitalism answering to no law except that of maximum profit; an undisguised, unrestrained capitalism, but one that has been rationalized, tuned to the limit of its economic efficiency through the introduction of modern forms of domination ('management') and manipulative techniques like market research, marketing and commercial advertising. (Bourdieu 1998a, 125; see, as well, Bourdieu, "L'essence du neoliberalisme," *Le Monde diplomatique*, Mars, 1998, 3.)

The conservatism we know, particularly if we are philosophers, tends to be communitarian and sometimes tribal. It is the conservatism of 'Old Stocking Cap' (as Gunter Grass called him) ruminating on being and time and the horrors of technology in the mists of the Black Forest or a civilized but still conservative hermeneutics, Gadamer-style, taken up with the pervasiveness of forms of life, the life-world and the necessity of tradition or the traditionalism of Michael Oakshott immersed in the rule of law and stressing the rationality of our practices. I am too much of a Wittgensteinian and a neopragmatist—analytical Marxian that I also am—to say that all is dross in these various but still related conceptions. We have, it is true, no skyhook by virtue of which we can swing free of all social practices. But in ways Otto Neurath, Jürgen Habermas and Richard Rorty (all rather differently) make

plain, we can, repairing and rebuilding the ship at sea, correct and even radically transform our practices. Moreover, we do not even understand what it would be like to be ‘outside of all practices’, to think and act, or even to conceptualize without them. Still, and that notwithstanding, we are not imprisoned by them conceptually or otherwise, or at least we need not be. And the same goes for tradition. We do not know what it would be like to stand free of all traditions but we can be critical of traditions, including the ones closest to ourselves. Still, as with practices, there is no setting ourselves outside of all of them and, ‘free of tradition’, just seeing things as they are. There is no such thing as the one true description of the world or the way the world is in itself. Perspectivism is inescapable, but that does not legitimate relativism, conceptual or otherwise, and it is not a form of subjectivism or nihilism (Nielsen 1996b and 1999).

However, and be that as it may, it is not these forms of conservatism with their nostalgia for the past that are the principal *intellectual* impediments to breaking the power and control of the capitalist class. The conservatism that really does the damage comes from Chicago not the Black Forest or Heidelberg. Again listen to Pierre Bourdieu:

Galileo said that the natural world is written in mathematical language. Now people are trying to make out the social world is written in economic language.... It is through the weapon of mathematics—and also that of media power—that neoliberalism has become the supreme form of the conservative counterattack, looming for the last thirty years under the name of ‘the end of ideology’ or more recently ‘the end of history’ (Bourdieu 1998a, 126).

It puts itself forward as an utterly hardnosed, unsentimental, non-ideological freeing us from all utopian vision or conception by making it evident that the very idea of a ‘critical utopia’ is an oxymoron. Emancipating us from all fuzzy notions of rationality and reasonability—including (so it is said) Rawlsian and Habermasian ones—it sticks with an austere economic rationality and provides us with an economic system which, ‘free of ideology’, instantiates economic rationality, indeed reflects its very essence.

Though supposedly a value neutral account, neoliberalism with its entourage of ill-defined catch words—‘globalization’, ‘monetary stability’, ‘deregulation’, and ‘flexibility’—conveys, supposedly utterly non-ideologically, a message of freedom and liberation while in reality all the more firmly, and increasingly on a global scale, tying us to a capitalist order that exploits and dominates people so deeply, and in some places so savagely, that neither much in the way of freedom or human flourishing remains. It seeks as the only way to securely attain wealth to develop the productive forces, but (a) the resulting wealth is concentrated in the hands of a small but powerful capitalist class and (b) it is not even evident that this is the way maximally to develop the productive forces. But (b) aside, it remains the case that in an increasingly global setting there is a relentless drive for the maximization of profit. Everything gives way to the power of money. And if this involves the sacrifice of people, child labor, the destruction of the environment, the undermining of social advances that workers have achieved through many years of struggle, then so be it. That is, neoliberals have it, what ‘economic rationality’ requires. Otherwise, the claim goes, the productive forces will not be maximally developed and profits will not be as great as they could be.

The results of neoliberal policy—this ‘economic rationality’—are evident enough. There is massive unemployment (sometimes, and in some places, thinly disguised by an increase in part-time employment); where there is employment, it is increasingly precarious employment; and there is, as well, the deterioration of social services (a war against all the forms of civilization associated with the welfare or social state). These things have led to crime, to an increase in the use of drugs, to juvenile delinquency, and to an undermining of solidarities among people generating a very widespread anomie and cynicism. And in some of the rich capitalist democracies—rich for a few but impoverishing for many more—there has emerged again fascist and semi-fascist political movements that neoliberals rightly regard as atavistic. They are vulgar forms of Old Stocking Cap in the Black Forest. But neoliberalism also and more significantly regards both Left and social liberal (Rawls, Sen, Dworkin, etc.) resistance to the destruction of the social achievements we have made as in effect just so much pious conservatism failing to understand what economic rationality

entails. There is no free lunch. And if we just come to understand how economies must work to be maximally effective we will acknowledge that and stop indulging in redistributive sentimentality.

So if we are to set ourselves against the bankers' cheery fatalism and seek to articulate and defend a considered utopianism, what is to be done? For starters we must not lose ourselves in a postmodern purely cultural Marxism: the funny book Marxism of cultural studies. We must continue the old Marxist practice of attending to socio-economic and political issues and to the realities of class and class struggles. That the latter are often hidden from view and their reality denied by the consciousness industry makes these issues all the more important for us to attend to. We need to make it quite apparent by conceptually sophisticated and, as well, empirically well grounded studies that class is not an obsolete notion and that class counts. We on the Left should set ourselves to a critical assessment of neoliberalism and then, rooted in that critical assessment, turn to an exposure and deflation of its disguised ideology: its renewed end of ideology ideology. We should make plain that and how neoliberalism occludes too many things that answer to human interests. But we should not limit ourselves to nay-saying and to protesting 'making money the gauge of all things', and we should show as well that there are some alternatives to neoliberalism: utopian alternatives certainly, but utopian alternatives that, not too far down the road, could be plausibly instantiated. Here, as Bourdieu, Habermas and Chomsky (in their different ways) show and as C. Wright Mills, John Dewey and Antonio Gramsci did before them (again in their different ways) and as Engels and Marx did still earlier, there is a role for critical intellectuals (to be pleonastic). Intellectuals should seek, as Bourdieu put it, to "re-establish a utopian thought with scientific backing, both in its aims, which should be compatible with objective trends, and in its means which also have to be scientifically tested" (Bourdieu 1998a, 128). He said a *scientific* backing, not a *scientistic* one. Such a commitment says nothing, à la Quine, about taking physics as the model for *all* science and for an understanding of how things really are with us or, à la cognitive science, taking cognitive science as the basis for social knowledge or, à la some 'political scientists', taking rational choice theory or decision theory as the key to understanding how economies really work by

articulating, sometimes with the help of action theory, their underlying rational foundations. All that is metaphysics parading as science. It is more a metaphysical-theological attitude than a scientific one. It is again the old religious and philosophical hankering after something utterly secure. The scientific backing of which Bourdieu speaks takes no such eliminativist or reductionist stance. And Bourdieu's way of doing things also fits well with a conception of social investigation that would be very welcome to Peirce and Dewey as well as to Neurath. I have in mind his remark about the "need to work collectively on analyses able to launch realistic projects and actions closely matched to the objective processes of the order they are meant to transform" (Bourdieu 1998a, 128).

This critique of neoliberalism followed by an exposure of it as ideology and then by a well worked out conception of a systematic socialist replacement and with that a construction of a considered utopia is (to understate it) a big project with many facets. (The actual replacement, not just as ideology but as a social reality, will, of course, only come from determined political action. But clear, accurate and insightful articulation can help prepare the way.) There is *hubris* in an individual (unless she is a Marx, Weber or Gramsci) in even attempting it just on her own. But this is not to say that it will result in the construction of some 'grand metanarrative' so despised by Lyotard and Rorty. Here I want to attempt to provide some bits of it and try, by illustration, to make a case for doing these things. I wish by a translating into the concrete to exemplify a fraction of the sort of thing that needs to be done and to illustrate by example the sorts of things that radical intellectuals can do to do their bit in bringing about such a social transformation to a socialist society which is beyond the neoliberal wasteland.

I will do this, as I remarked, by discussing unconditional guaranteed basic income and market socialism. I shall do this in what some might regard as an eccentric way by discussing them in the context of one determinate social reality, name Québec, and what might very well come to be a sovereign Québec. I do this (a) to give these ideas a social context—a local habitation and home—and (b) for those (principally Quebeckers) who are trying already to think through what direction Québec should take after sovereignty. Of course, these ideas (basic income and market socialism) could be discussed in the context of any other of the

rich capitalist democracies. But being a Quebecker it is understandable that I should give these two ideas such a habitation. If my interest here seems folkloric to you just place a suitable variable where I use the value 'Québec'. However, in my so situating my discussion, a few cautionary words about nationalism are in order, since it is such a poorly understood conception. I, in passing from setting the stage, first turn to that.

## II

Nationalisms, when they emerge in liberal democracies which are firmly such, have almost, but not *quite*, invariably and hardly surprisingly been liberal nationalisms. German nationalism arising against Weimar is the great and horrifying exception and Unionist nationalism in Northern Ireland and some Republican nationalism both in the Republic of Ireland and Northern Ireland are less paradigmatic but still counter-examples, as is the phenomena of Le Pen. Moreover, some forms of Corsican and Basque nationalism also do not fit the liberal mold. But it is crucial to see that in the case of Germany (the paradigm disconfirming instance) the circumstances were exceptional. And none of the other examples listed above, France aside, come from societies which are shining examples of liberal democracies. But Norwegian, Icelandic and Finnish nationalisms when these people were struggling to gain independence were liberal nationalisms and the resulting nation-states are models of progressive liberal societies. These nationalisms were neither xenophobic nor exclusionist. They wanted to and did protect their national cultures. But they did not regard themselves as a chosen people with a manifest destiny. The same thing should be said for present day nationalisms arising in secure democratic societies. I refer here to Scottish, Welsh, Québec, and Catalonian nationalism. These peoples are all national minorities in larger allegedly multination states where they have not been able to gain recognition as nations—as a people—of equal status that is required of a genuinely multination state. They are historical communities having their distinctive institutions and traditions. They have, and for a long time, resided on a given territory which they see as their homeland and they have distinct cultures and, in all but one instance (the Scots), have in contrast with the peoples around them a distinct language. (It is instructive to remember

the Scots once had Gaelic as a distinct language before it was suppressed by the English conquerors, as it was in Ireland as well.) These historical communities are in aspiration, if not yet in fact, political communities aiming at *some form* of self-governance over a chunk of the earth's surface. For a group to be a nation, a considerable portion of its members must see themselves as members of a political community and in doing so they will aspire to, if they have not already achieved it, some form of self-governance. In addition, for a group to be a nation or a people there must be a mutual recognition of membership at least by its members. Most of them must see themselves and be seen, at least by their own members, as Danish, Spanish, Québécois, Walloons, Faeroeseans, Filipinos, and the like.

This is what it is for a group to be a nation. It is distinct from a state, namely an institution that successfully claims a monopoly of *de facto* legitimate force in a particular historical territory. Nations frequently are, but they need not be, states (Nielsen 1998). Consider as nations which are not states the Mohawk nation, the Black nation or the Kurdish nation. They need not be states *even in aspiration*, but they must to be a nation see themselves as a political community, in aspiration at least, seeking *some form* of political self-governance and *some form* of homeland, though it may be homeland they will have to share with other distinct peoples where there is a territorial overlap of peoples. Here is where the aim should be to form a genuine multination state: a state with nations as subunits in situations of equality. A nation or a people will want, if they are at all reasonable, to have either a nation-state of their own or to be part of a genuine multination state united in some form of cooperative federation or arrangement. The important thing is that they as a nation will have some form of self-governance and cultural recognition.

The liberal nationalism of a people aspiring to public recognition as a nation will, as all nationalisms, be cultural as well as political, but it will not be and cannot be an *ethnic* nationalism defining membership in terms of descent and excluding others from membership even though they master the language of the nation, embrace its customs and traditions, accept its laws and political institutions, and reside in its territory (Nielsen 1996-97). Such an ethnic nationalism is exclusionist and ethnocentric and is not acceptable in a liberal society, including, of course, a socialist society (Couture and Nielsen 1996). A liberal

nationalism, by contrast, is not exclusionist or ethnocentric and does not see itself as a chosen people or a favored folk. But in seeing themselves as a people, as a nation, liberal nationalists will see themselves as having a distinct culture and they will be concerned to preserve it and to see it flourish in a political community.

Québec nationalism, like Catalanian, Flemish, Scottish, and Welsh nationalism, is such a liberal nationalism. It is a nationalism that does not exclude others and respects the distinctive rights of its English minority (a historical minority) to English language schools, hospitals, to use English in the courts and in the national assembly. Such a nationalism goes perfectly well with cosmopolitanism, liberalism, and socialism with its firm commitment to internationalism.

### III

I think that it is not unlikely that in a few years time Québec will gain sovereignty either as a sovereign nation-state or as a nation in a genuinely multination state in some form of cooperative partnership with the English-speaking Canadian nation, but itself a sovereign nation nonetheless as an equal partner in a multination state. In such an eventuality, Canada and Québec—the English-speaking Canadian nation and the Québec nation—would be equal subunits in a multination state, each with extensive powers of self-governance. (There may be other nations as equal subunits as well, e.g. the First Nations and the Acadian nation.)

Since its nationalism is a liberal nationalism and the new sovereign entity will be a liberal democracy native peoples, anglophones and allophones in Québec will have nothing to fear from a sovereign Québec. Indeed, depending on how Québec develops, they might even gain from such a situation.

Assuming that some such situation will come to obtain, I want to discuss two ways of organizing social life in such a society. They are presently utopian, but *perhaps* will become feasible possibilities a few years down the road. They would if instituted enhance human flourishing for the citizens of Québec. I speak firstly of an unconditional guaranteed basic income for all citizens and landed immigrants of Québec and secondly of the establishment

of market socialism. The first *may* be achievable in a progressive capitalist society; the second, even though market oriented, will require a transition of society from a capitalist one to a socialist one by which I mean a society in which there is some form of public ownership and control of the means, or at least the major means, of production (Weisskopf 1992a).

In Québec, after it emerges as a sovereign nation, a serious consideration of such at present utopian notions is apposite for a number of reasons. A new sovereign nation in starting afresh, either as a sovereign state or an equal partner in a multination state, though in both instances as part of a liberal ethos encompassing a constitutional democracy, has a little more *lebensraum* than an already deeply entrenched state. It is a good time, particularly when neoliberalism is working as far as its effect on the lives of people is concerned so badly, to try, not incautiously but still boldly, some new ways of arranging things. Also, the cultural soil of Québec is *somewhat* more receptive to such ideas than the rest of North America. Its traditions are a bit more social democratic and Europe-oriented than that of its neighbors; it has somewhat stronger, more extensive and slightly more radical labor unions; it, like the rest of North America, is not a poor society; it is industrially and technologically developed, has an educated population and well-developed political infrastructures; and it has an intelligentsia, more of which are attuned to such ideas than the intelligentsia in the rest of North America tend to be. So perhaps in a sovereign Québec we can in the not too distant future give such ideas a try. I shall now argue that this is something we should do.

#### IV

I will start with a consideration of unconditional guaranteed basic income for all adult citizens and landed immigrants of Québec since it would not require changes in the society as deep as those required by market socialism. A non-evasive look at the life and circumstances in the rich capitalist democracies, including Québec, would, I shall argue, incline one to favor the serious consideration of implementing *ugbi* (*unconditional guaranteed basic income*). In such societies there is a not inconsiderable amount of structural unemployment as well as very marginally and insecurely employed people. Often

people are (and this is particularly true for women) employed in part-time jobs with no pensions and the like at a very low wage. This, the way things are presently going with neoliberalism practically unchecked, is likely to get worse rather than better in spite of neoliberalism's newly found 'social conscience' (Marti, *Le Monde*, March 29, 1998). So unless we are prepared to let people in not inconsiderable numbers starve on the streets, we need *something like* a welfare system. Yet it is widely recognized that the welfare system in the various capitalist states works badly even in the best of such societies. And in some societies—the United States and Canada, for example—it, to put it crudely, stinks. People are paid, albeit badly paid, to remain unemployed. The welfare system continues the culture of poverty and reinforces the poverty trap. It results in a social structure with a huge social and economic gap between the rich and the poor—a gap that is increasing—with glaringly unequal life prospects for both the employed ('the deserving poor') and the unemployed poor compared with that of the wealthy elite in the society. This deeply unjust situation is being exacerbated as people are more and more being pushed into unemployment or into marginal, insecure, poorly paid part-time employment.

To run the rotten system, moreover, a huge and expensive welfare bureaucracy (a bureaucracy that is inefficient and often corrupt) is needed. It is also a bureaucracy which is paternalist at best and functions intrusively as a para-police force at worst. It results in a system where its so-called clients are degraded, demeaned and kept in circumstances of idleness and poverty.

As structural unemployment grows and welfare expenses increase, the tax backlash and welfare backlash will grow. It is time carefully to consider replacing the welfare system with *ugbi*.<sup>1</sup> This should come in Québec by Québec moving from a welfare system to having, institutionally in place and properly functioning, a lifetime guaranteed basic income to be paid to all adult citizens and landed immigrants of Québec unconditionally and on an *individual* basis without means test or work requirement. It is to be paid by the state at the same rate to all adult citizens and landed immigrants. The rich elites will get it as well as the most impoverished people in the society. And it is to be paid to *individuals* rather than households. Doing it this way would be particularly helpful to vulnerable women in abusive

or otherwise unsatisfactory marriages and other forms of cohabitation. The basic income stipend is to be paid irrespective of any income from other sources. It is to be paid without requiring any present or past work performance or even a willingness to accept a job if it is offered. This has a consequence that some would regard as producing an unfair situation, in that some talented people with strong preferences for leisure over income could opt to surf, couch potato themselves, or spend their time listening to Dietrich Buxtehude, Lenny Cohen, or Blues just as they please because there is no requirement to work. *Ugbi* is unconditional.

Questions of fairness aside, something which is more problematical here than might seem at first sight, there is the practical problem that if *many* took the full-time leisure option, *ugbi* would plainly go down the tubes. But there is good evidence for the belief that, if work conditions are reasonably decent, the wish to be gainfully employed—to have some meaningful work—is too strong in most people for there to be a world or even a numerous population of full-time surfers or couch potatoes. We might out of feelings of solidarity resent such surfers and couch potatoes, and *perhaps* rightly so. Such free-riders in such a situation seem to be exploiting or at least taking advantage of those who work. Still they, given that they are few, would do little or no harm. So there is no reason to get exercised about them. In a world where full employment is so difficult—perhaps impossible—to achieve we should not act like Kant's grandparents.

*Ugbi* would do something to lessen structural unemployment. It would take pressure off our more or less welfare states and pseudo-welfare states to create employment—often rather unreal employment—by the use of targeted wage subsidies, public sector work programs, or other active policies. It could do so because it makes it possible, indeed reasonable, under certain circumstances, for people to take jobs at well below a living wage. With there no longer being a minimum wage, as it no longer would be needed, both the private and the public sector would have the opportunity and incentive to create jobs that are (a) somewhat attractive, (b) have some point, and (c) make most people better off than they would be by simply staying home and relying solely on their *ugbi*, even if their jobs do not pay very much.

The basic income should and indeed must, for the scheme to work, be at a reasonable subsistence level—a level that would allow people to live decently but rather frugally. There would in such a circumstance be security and a decent life for people while still providing most of them with an incentive to take jobs at even a rather low wage level which, hardly surprisingly, many businesses would find it attractive to make available. Where presently there are few jobs, there would be more jobs and not make-work jobs either. But for the worker, having a job would not be essential for her livelihood or the livelihood of the children she may have but it would be for providing for some of those little extras, as Brecht once put it, that people not unnaturally want. A reasonable *ugbi* would provide the worker with security while leaving her with the possibility of work in a work situation that was not grossly unattractive and exploitative. Still she could avoid such work if she wanted to, for she, with *ugbi* in place, would be in a position to refuse jobs and thus plainly unattractive jobs. And this would provide an incentive for employers to make the jobs they offer somewhat attractive. They would not be like working at McDonald's.<sup>2</sup>

*Ugbi* would also help break the poverty cycle and the endemic joblessness that goes with it, affecting whole generations of people in contemporary capitalist societies where they grow up without any work skills and any reasonable expectation of a job. Without the work skills they cannot get a job and without a job they cannot gain the work skills. It would also enhance the lives of people by enabling them if they wished to drop out of the world of paid employment to pursue an education, start up a new career, start a business, care for children or elderly relatives, do political work, work for good causes, and the like. They could, and I don't mean this ironically, become full-time revolutionaries—something that might be as good for us as it is for the Chiapas. These are things, or at least some of them are, which are beneficial both to the individuals involved and to society.

Such an *ugbi* would not be so splendiferous as to encourage people to try to be free-riders, living high off the hog. With *ugbi* there is simply no possibility of living high off the hog. But it still would enable people with pronounced preferences for leisure over income to refuse jobs provided they were prepared to live rather frugally. This makes it the case that more people would be able to live as they would like without worsening the lives of

others. But to repeat what I said earlier, it is a realistic assumption to make that most people would choose to work where work is on offer and where the work is not grossly unattractive. (It is not going to be completely unexploitative in *any* capitalist society, or even in *emerging* socialist societies.)

*Ugbi* will not fall like manna from heaven; it must be paid for out of tax revenues. If its adoption would increase people's income tax significantly, it is plainly dead in the water. But it is quite possible that it would be less expensive than the present welfare system or any plausible modification of it. With *ugbi* we would be rid of the expensive welfare bureaucracy; *ugbi* would, by contrast, be simple and inexpensive to administer. Remember there would be nothing like a means test. But people in the higher income brackets would have most, in some instances perhaps all, of their *ugbi* clawed back in income taxes.

However, at present the bulk of the middle strata of society is very averse to paying taxes and are in a mean-spirited mood. They might be unimpressed by arguments that *ugbi* might very well be less expensive than the welfare system, for they are out to abolish, or at least extensively dismantle, the welfare system itself. The rightwing neoliberal agenda they favor goes in heavily for all kinds of cuts in social spending. But if that is done at all extensively, it will lead to increased crime, increased drug use and prostitution, an increase in aggressive public begging, and deteriorating social services (e.g., the public health care system in the societies that have them) and deteriorating infrastructures (highways, metros, etc.). It will also have disastrous effects on education. And more money will be needed for more police, more prisons and the like. And again the money needed will not fall like manna from heaven. Money—lots of money—coming out of taxes will be needed; and, as well, the quality of life will become increasingly more grim for, among others, the middle strata itself who are now so resentful at paying taxes. But perhaps after a stretch of this social Hari-kari—this world of *The Three Penny Opera*—the 'middle class' will be a little more ready to listen to reason and will become ready to pay taxes, *perhaps* even somewhat increased taxes, for more useful purposes.<sup>3</sup> (Remember that now we get rather poor value for our tax bucks, but with *ugbi* and other progressive policies in place this would cease to be so or at least not so extensively so.) Being decent and caring about people and acting in your own self-interest

would in such circumstances in standard cases ride tandem. *Ugbi* is practically feasible, humane, and would modestly enhance the productive capacities of our societies. It is an option that a sovereign Québec—and not only Québec—should seriously consider.

## V

I now turn to market socialism. In the last decade socialism has come to seem to many people to be a fantasy and capitalism, in some form or other, if not eternal, is the face of the future for as far as we can see. I think this confident assessment of things is premature because capitalism is hurting a lot of people all over the world and sometimes very badly, and increasingly so. And this, a small class of rich capitalist elites and their well paid facilitators aside, obtains for all strata, though the extent of the hurting, of course, varies. This is evident in the rich capitalist democracies and even more so in Third and Fourth World countries. Eventually people—or so we can reasonably hope and work to facilitate—may come to feel that enough is enough and to realize that this steady and cumulatively deep decline in their quality of life is unnecessary. It just isn't, they will come to suspect, as neoliberal ideology gives to understand, the way things have to be if things are not to get even worse than they already are. It isn't just written into the human condition under conditions of modernity. And with this realization people may come in time with varying degrees of vigor to struggle against it and to be open to new options. It is here where market socialism, though not necessarily under that name, can be a real and valuable option.

Let us see how this goes. Western socialists for a long time in their opposition to the Soviet Union made it plain that any acceptable socialism must be democratic, how it could be democratic, and how socialism extends democracy to the workplace and in doing so extends democracy. They have also shown how socialism is deeply committed to a radical egalitarianism (Wright 1994, 447-49; Nielsen 1996a, 121-158). But what many reflective and knowledgeable people with egalitarian commitments are sceptical about is not whether socialism, if it could be made to work as a tolerably efficient economic system, could be democratic but about whether it could in fact be an *efficient* way of organizing social life. Moreover, they also recognize, if they are at all knowledgeable, that socialism, no matter how

genuine and well intentioned, could not deliver on justice and equality or even in the long run on democracy if it was not efficient. But, it is widely believed, it cannot be efficient, so socialism has come to seem to many people to be a non-starter. Even if great masses of people out of their frustration with the capitalist order were to go for it that, not a few intelligentsia think, would be a mistake: another future of an illusion. The road is not from capitalism to socialism to communism, but from capitalism to capitalism. The most we can hope for against neoliberal excesses is a tamed social democratic capitalism with a somewhat human face.

It is here where market socialism enters. Market socialists are (*pace* Bertell Ollman) *socialists* and are not settling for a social democratic compromise with capitalism (Ollman 1997).<sup>4</sup> Some very intelligent and well-informed analytical Marxians, while remaining, and firmly so, socialists, have worked out sophisticated models for a market socialism that could have application in the foreseeable future in societies that are *now* the rich capitalist democracies. (They, of course, could not remain capitalist *and* be market socialist societies.) They are at least arguably realistic models for a socialism that would be efficient and, as well, make it possible for us to achieve something reasonably approximating (a) equality of opportunity for self-realization and welfare, (b) equality of opportunity for political influence, and (c) equality of social status and social standing (Roemer 1994a and 1994b; Schweickart 1993).

John Roemer, perhaps the leading analytical Marxian economist, characterizes market socialism as “any of a variety of economic arrangements in which most goods, including labor, are distributed through the price system and the profits of firms, perhaps managed by workers or not, are distributed quite equally among the population” (Roemer 1994b, 456). He sees that a central, *perhaps the* central, question concerning market socialism is whether it can give a clear specification of a mechanism by which profits can be *so* distributed without unacceptable costs in efficiency. Moreover and connectedly, it is also important to recognize that in a modern economy, innovation is essential if we are to have efficiency, and this requires—or so he believes—the discipline of the market. That is to say, without the competition provided by markets, both domestic and international, no business

enterprise will be forced to innovate and the economy will stagnate. Hence the need for socialism, if it is to be anything other than badly utopian, to be a *market* socialism. What needs to be brought into being is an economic mechanism under which technological innovation will take place but in which a characteristically capitalist distribution of income will not result. We need carefully to consider whether competition between business enterprises—competition generating innovation—can be induced without a regime of private productive property in firms (Roemer 1994b, 460).

Market socialists have given various models for how this might be achieved. (In addition to Roemer and Schweickart, see Weisskopf 1992a and 1992b.) Let us, to get this conception clearly but boldly before us, give a crude approximation of Roemer's model, a model which he recognizes will surely need to be fine-tuned and perhaps in major ways changed as we think it through, including, of course, thinking how it could be applied in real life situations. Moreover, if we ever get into the situation where we could try it on for size, it is to be expected, as the social experiment goes on, changes would have to be made. But it is *some such* model I am claiming that should get on the agenda of a sovereign Québec where a socialist option would be, at least down the line a bit, an option for Québec.

Roemer's model involves creating two kinds of money in a market socialist society: *commodity* money used to purchase commodities for consumption, and *share* money (something Roemer calls *coupons*) used to purchase mutual funds giving their purchasers ownership rights in firms. It is *essential* that these two kinds of money not be convertible. So there is on his model no way of trading coupons for dollars, francs, pounds, and the like. There is to be an equal distribution of coupons. All citizens, that is, upon reaching the age of majority are given their *per capita* share of the total coupon value of the productive property in the economy. With these coupons they can buy mutual funds from which they derive ownership rights. This entitles them to dividends from the profits of the firms and a right to vote for people on the board of directors of the firms in which they own shares. In such a market socialism there is both a labor market and a stock market. Stocks, however, *must* be purchased in the form of mutual funds and can be purchased *only with coupons*. There is no purchasing them with commodity money, e.g., dollars, pounds, euros, and the like. Coupons

cannot be given away but they can be sold for other coupons at the market coupon rate. But, to stress in repeating, shares and coupons are not transferable for commodity *money*, e.g., dollars, kroner. When a person dies her shares and unspent coupons revert to the state for redistribution. The non-transferability and non-convertibility of coupons keeps ownership from being concentrated. The people rich in commodity money—dollars and the like—cannot buy out the poor in commodity money. This though still far from being perfectly egalitarian and still very distant from full communism prevents the great concentration of wealth and power in the hands of a few characteristic of capitalist societies. These great inequalities of wealth and power and the domination and control that go with them are the worst forms of inequality in our societies. And these great inequalities of wealth so characteristic of capitalism insure that in a very fundamental sense that our societies will be undemocratic no matter what constitutional forms we have and no matter how faithfully they are adhered to.<sup>5</sup>

Since stocks are sold for coupons and not for dollars or euros and the like, firms cannot directly raise money by selling stocks.<sup>6</sup> Finance capital is raised through credit markets organized by state banks which are in turn organized like the other public firms, e.g., they themselves have a market socialist organization. Such involvement by the state allows a certain amount of planning of the market similar in some respects to the kind of planning that goes on in advanced capitalist countries. And it is a planning, in both cases, without direct political influence in the workings (the allocative functions) of the market characteristic of command economies. A market socialist, as Roemer makes plain and as Alec Nove did before him, should not reject central planning *tout court*, but she should reject command/administrative *allocation* systems, systems that were characteristic of Soviet-style economies. The two ideas are not identical and it is only the latter that has been shown not to work. With such a market socialist scheme we have “relatively freely functioning market mechanisms along with a sustainable egalitarian distribution of property rights, a roughly equal distribution of profits and a significant planning capacity of the state over broad investment priorities” (Wright 1994, 448-49). This yields, where we also have a democracy, efficiency with at least an approximate justice and a rough equality and, as well,

both a respect for autonomy and for an enhanced autonomy for all. In short, a realizing of many of the traditional ideals of socialism as well as those in liberal social democracies.

I am not so innocent as to think that a Québec government that would be immediately formed after sovereignty would, should, or indeed could, put market socialism or even *ugbi* on its agenda or even give either of them serious consideration. That is pie in the sky. Market socialism in particular would, I would sadly surmise, be rejected out of hand. What I am saying is that as the failure of its more or less neoliberal programs becomes ever more increasingly apparent to broad sectors of the population, a population somewhat more attuned to social democracy than the populations of the United States or English-speaking Canada, socialism and *ugbi*, if intelligently explained and firmly urged, might in time get a serious hearing. Here is a task for critical intellectuals in Québec. And there are similar tasks for intellectuals elsewhere. In the immortal words of Adlai Stevenson: Eggheads of the world unite. You have nothing to lose but your yokes.

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## Notes

<sup>1</sup> I speak here of the ‘welfare system’—the system of giving some social support to people who cannot find work or are not able to work. I am not talking of replacing ‘the welfare state’. For it is, since we are here talking about capitalist societies, only in a very progressive welfare state with a progressive system of taxation that there would be any realistic possibility of trying *ugbi* out.

<sup>2</sup> It has been objected that by not having a minimum wage big businesses and governments would cut wages and hire people on the cheap thereby driving workers in such societies against the wall. It is such employers and not just those small businesses who would pay below what was the minimum wage before it was the minimum wage set aside with *ugbi*. Such a dipping below the minimum wage is, with *ugbi* in place, acceptable for *small* business who otherwise would not exist at all or small business who could only hire additional workers if they were not constrained by the minimum wage. But if generally the workforce got so pushed that would be another thing altogether. Such a lowering of wages would not, of course, be welcome by socialists or social liberals. It would not help the working class, but would instead lower their standard of living. All that is obvious enough. But that this is the likely outcome of *ugbi* is challengeable. Considering government employment and employment in large corporations, people so employed tend to have reasonably strong unions (or at least unions) and with that, and with *ugbi* in place, workers in such employment could resist, and successfully, such attenuated wage cuts. Strikes in such a circumstance would be much easier to carry to a successful conclusion. But if I am wrong about this and government employers (indeed the government) and large corporations could, with *ugbi* institutionalized, force wages down, then, contrary to what I have proposed above, a minimum wage would have to be retained with *ugbi*, allowing exceptions only for part-time

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employment in small businesses and even then only under carefully specified conditions. I am indebted to Jocelyne Couture for instructive discussion on this point.

<sup>3</sup> Some have argued that I delude myself in thinking that taxes would not have to be increased significantly with *ugbi*. And if, contrary to what I expect, there would be such an increase, then *ugbi* would be strongly resisted both by the corporations and the middle strata of the population. If a social democratic government adopted *ugbi* in such a circumstance, there would be a capital outflow from the country it was a social democratic government of with the result that the government would either fall or, with its back to the wall, it would be forced to reverse its policy. In fine, if taxes would have to be raised significantly to finance *ugbi*, then it would become unfeasible for it would be forcefully resisted by powerful segments of the society. I think there is a reasonable possibility that such a tax hike would not be the result of installing *ugbi*. With *ugbi* there would be more people working and more business activity and these things would result in increased tax revenue without raising taxes. Moreover, down the road with *ugbi* in place, there would come to be in the society a better educated and better trained workforce. Moreover, right after *ugbi*'s coming into existence, there would be massive savings with the dismantling of the welfare system. That bureaucracy is very costly. A modern state cannot, of course, get along without a bureaucracy, but it need not have a welfare bureaucracy for the rotten welfare systems we have. We can just junk the welfare system and replace it with *ugbi*. We have empirical issues here and if I am significantly wrong about the costs, then *ugbi* is certainly in trouble. What looked like a feasible proposal would turn out to have been a bad bit of utopia. Here we should take to heart Bourdieu's conception of what is required of a *considered* utopia. I am arguing for *ugbi* as a bit of such a utopia. Getting the facts right here is crucial.

<sup>4</sup> Bertell Ollman, in his 'Market Justification in Capitalist and Marxist Socialist Societies', resolutely attacks root and branch all forms of market socialism. Socialism, he believes, is impossible with markets. Market socialism, he has it, mystifies the politics of class struggle. Retaining a market—any market at all—will interfere with the building of socialism and render large-scale economic planning for the meeting of human needs impossible. The market, he has it, should not even be kept as a mechanism for allocating goods. "Leaving most market mystification in place, market socialism cannot be viewed as just another form of socialism, or even a compromise with capitalism. It is a surrender to capitalism." Ollman is well aware that there are market socialists who regard themselves as genuine socialists and not as social democrats or supporters of social democracy, except sometimes tactically. But as Ollman sees it, their good intentions notwithstanding, their theory is so intertwined with market society that they cannot be genuine socialists. 'Market socialism' is an oxymoron. Moreover, their theories are utopian in the bad ways the Marxist tradition has criticized utopian theories for being. Marxist socialists will return the compliment by accusing Ollman of utopianism and Marxist fundamentalism to boot. I think little will be accomplished by such rhetorical exercises in *persuasive* definition. I do not believe that Ollman has made a sound case against market socialism or even that he understands it properly. But he does have a strong case against market societies (and with that, of course, against capitalism) and he shows very well how pervasive and humanly destructive market societies with their market mode of thinking—what Erich Fromm called their market orientation—are and how this runs against human flourishing. What, I believe, Ollman does not see is that market socialism is not caught up, either directly or indirectly, in that and further that he does not realize that it does not reject but actually accepts central planning, rejecting only the administrative (command) *allocation* of goods as the standard (characteristic) way of allocating goods. What he fails to realize is that we can—and arguably should—have market allocations without having a market society as he characterizes it, without market mystification and the making of genuinely socialist persons—what Isaac Deutscher called socialist man—impossible, unlikely or undesirable. (I am here conceiving of socialist persons just as Ollman and Deutscher will conceive of them.) Market mechanisms, as market socialists conceive of them, are mechanisms to efficiently allocate goods. Orienting production as socialists do to meet human needs we need a device to allocate the various goods needed to satisfy those needs—genuine needs and not 'needs' artificially created by capitalism with its market orientation. These market mechanisms are not the reified powers Ollman attributes to the market. For market socialists market mechanisms are, in Ollman's metaphor, can openers and not meat grinders. They are tools to

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be used in fully socialist and indeed communist societies—full communism, if you will—as well as in capitalist societies, though, as Ollman well shows, they become, as well, something more than that and indeed something dehumanizing in capitalist societies. But that is not due to their allocative use. It is one thing to use a can opener to open a can of beans, it is another thing to try to use it to open a bottle of champagne. The value of market mechanisms is that of an instrument—just as a can opener—that we control and that does not control us as markets do in market societies, i.e. the dear old capitalism we know and love. In stressing its usefulness purely as a tool, market socialists say something that (a) is true and (b) helps to give socialism a running chance in the societies in which we now live. But having said all this, and without taking any of it back, I would urge that Ollman’s essay be carefully studied by people interested in market socialism and indeed by anyone who seriously cares to think about the world in which she lives. Market socialism is becoming a dogma with those of us who are socialists with anything like an analytical intent. We tend to think that, among socialists, market socialism is something that only Neanderthals would question. And indeed I think it is the only socialist game in town. Ollman, to his credit, gives us some reasons for thinking twice. His account should not be just brushed aside as a bit of Marxist fundamentalism. We market socialists, given the importance of the issue, should take to heart Cromwell’s “Think man, in the bowels of Christ, that you may be wrong” (Ollman 1997; see also Deutscher 1967). See here the debate, and most particularly the debate between David Schweickart and Bertell Ollman, over market socialism (Ollman 1998 and Weisskopf 1992a).

<sup>5</sup> After I had written these remarks, I thought of the work of John Rawls—work that I, like many others, greatly admire. But that notwithstanding, it seems to me that Rawls’s account does not come to grips with such problems and it is anything but clear that it has the resources to do so. He, for the most part, does ideal theory and I do not complain about that, but it is also an ideal theory that is not indifferent to real world conditions and real world problems. Rawls thinks that progressive forms of capitalism can be (a) just and (b) sustain democratic societies—that is not be incompatible with a democratic political order. It is hard to see how either (a) or (b) could be true if the above remarks in the text are on the mark. But do they not non-evasively tell it like it is? I have tried to argue that they do and it is hard to see how public reason, attention to constitutional essentials, to constitutional design and to the role of law will make any difference here.

<sup>6</sup> In his important and frequently insightful article, Thomas E. Weisskopf (1992a) remarks that “advocates of market socialism assume that people will tend to behave as *homo economicus* and seek to attain the greatest possible individual rewards” (17). In keeping with that, market socialists do not rely, in arguing for a socialist society, that we become *homo socialis*—what Deutscher and Ollman call socialist persons, to wit persons whose “very consciousness was socially rather than individually oriented” (18). Some form of that as an ideal of what it is to be human in a truly human society (as the young Marx put it) is an ideal we socialists hope to see instantiated in a future socialist society. Or more accurately, while retaining a proper regard for self, we hope that in our very deepest responses we will be socially oriented beings in solidarity with our fellow human beings. But that notwithstanding, we will argue, if we are market socialists, that even *if* we human beings, even under favorable circumstances, are more persistently Hobbesian than the Marxist tradition has believed, we can all the same construct and sustain a socialist society with *homo economicus* alone. It is certainly not all that we want in a truly human world, but it is enough to yield a stable socialism. It is not *only* that to get from capitalism to socialism that we must start from where we are, but that we could sustain a socialist society on *homo economicus* alone. It would be a less than ideal society, but still a socialist society, though certainly not all that Marxist tradition has struggled for. But I also argue here that even if we become really socialist persons—if we come to have a society in which *homo socialis* is the social reality—we will still *need*—need even in a fully communist society—“markets as the predominant mechanism for resource allocation” (23). What market *socialism* assures, and indeed must be able to sustain, against the market oriented world Ollman so vividly describes is that there be “a significant economic and social policy role for the state [a socialist state], whereby *the market is rendered the servant rather than the master of society*: the national government formulates and implements overall macroeconomic policy” (23, italics mine). But it can do just that. Market socialism is not capitalism in disguise.

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