

The socialist model: limitations and pitfalls



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In the [first part of this article](#) [2], I discussed the basic socialist worldview. In the [second part](#) [3], I examined the predictive power of the model. This, the third and final part, looks at some of its limitations and pitfalls.

Given its extreme simplicity, the socialist model has proved good at predicting - in broad brushstrokes - the long-term evolution of modern societies. Nevertheless, such a simple model is clearly incapable of describing all of the complexity that we see in the world. While the limitations of the model are manifold, as is the case with any simple model which purports to describe reality, there are four major ways in which its predictions deviate from reality.

1. Conflict Dynamics

The model's predictions are borne out by reality only at the most general level. The model accurately predicted that, with the spread of capitalism, the conflict of interest between capital and labour would become the dominant axis of political struggle, but it tells us nothing about the dynamics of that struggle.



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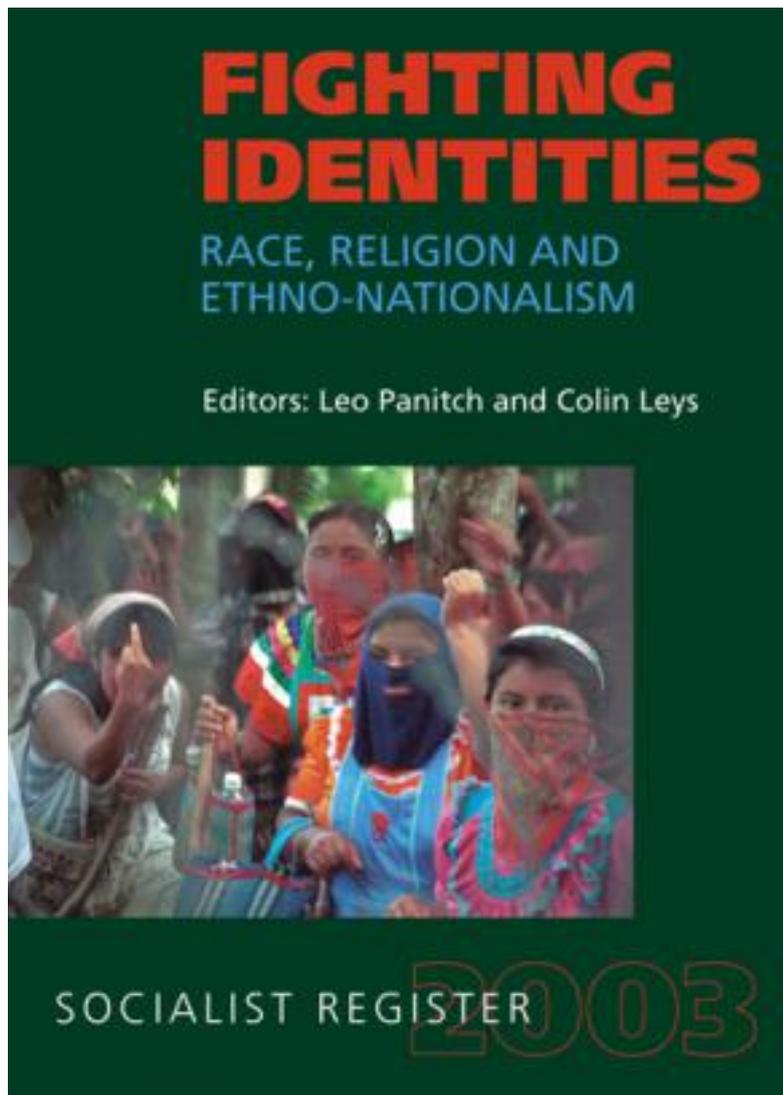
The Chinese revolution relied mainly on peasants, rather than workers. image: <http://arts.cultural-china.com>

Marx and the early socialists predicted that class-conflict would tend to intensify over time, leading eventually to proletarian revolution. Their predictions as to when and where intense conflicts would break out, how the strength of each side would evolve over time and, ultimately, who would win, all turned out to be quite wrong. It was assumed that revolutions would take place in the most advanced capitalist countries, not the agrarian nations of Russia and China. The strength of labour was predicted to increase progressively over the long term, organising on ever broader levels, but the 20th century saw a [long term decline](#) [5] in the power of labour in the most advanced capitalist countries, which continues to this day. And while events may yet surprise us, virtually nobody today believes that the economic system is driving us inexorably towards proletarian revolution and communism.

So, in short, while the model correctly predicted that there would be frequent conflicts between labour and capital, all of the predictions that followed on from it were wrong. The model isn't really useful in predicting anything beyond the existence of such conflicts.

2. Identity & group cohesion

The socialist model is based on the assumption that economic self-interest drives large scale behaviour. The model's predictive power is testament to the validity of that assumption. However, self-interest is not everything. Large scale human societies depend upon identity-based group cohesion which cannot be derived from an individualistic, self-interested, rational, utility-maximising economic perspective. The bonds that bind groups together via shared identities produce behaviours that are strictly irrational from an individual's perspective. They are typically passed down through social norms, forms of language and rituals. New identities sometimes arise - the emergence of the working class as a identity is one such example - but they are layered on top of existing identities, which change slowly on a timescale measured in generations. While the constant, unrelenting pressure of economic forces guarantees that class conflict will always assert itself, conflicts between identity-based groups will never be entirely subsumed by economics, because the very existence of large scale societies depends upon the individually irrational behaviours which bind groups together.



[6]

Indeed, it seems likely that the strength of labour in the age of industrialisation relied heavily on the emergence of a working class identity based on shared experiences of exploitation. The rise of automation, the service economy and global supply chains have seen considerable fragmentation of experience, and a consequent fading of the proletarian identity, which has considerably reduced the mobilisation potential of labour. Furthermore, while the left-right split remains the most important dimension of political identity in the most advanced capitalist economies, its connection to the conflict between labour and capital has weakened over the last century. Today, particularly in those countries with the longest history of capitalism, it has come to embody the division between social conservatives and social liberals as much as any economic division. It is too early to tell whether this is more than a temporary blip, but if it turns out to be a long-term permanent trend, it would contradict the fundamental predictions of the socialist model and lead to the conclusion that it was industrialisation, not capitalism, which prompted the capital-labour division to become the crux of social conflict.

So, while the socialist model's prediction of the economic conflict between labour and capital becoming the dominant fracture in capitalist societies turned out to be broadly correct, for a couple of hundred years at least, it co-existed and interacted with other forces. The historical record demonstrates clearly that conflicts based upon religion, ethnicity, geography, gender, age-group and shared experiences retained the potential to flare up and become locally and temporarily dominant. And we can't rule out the possibility that, despite the continued expansion of the capitalist pattern, the importance of the divide between labour and capital will continue to fade and other divisions will take its place as the dominant axis of conflict in modern societies.

3. International conflicts

The model covers internal conflicts within specific societies and has nothing to say about external conflicts between societies. This is not a problem in itself. A model that only captures the major internal dynamics of a society is still decidedly useful. However, external conflicts have a major impact upon internal dynamics. To put it simply, if your model is very good at predicting the internal evolution of a particular society in isolation but does not capture the fact that the society has been conquered and massacred or enslaved by a foreign country, then the predictions are not so useful. History also shows that the threat of external aggression acts as a powerful cohesive force on societies. So, for example, in the run up to the first world war, class conflict in the major nations was relatively intense, but the onset of war saw this evaporate as the national populations united to fight one another [1].



[7]

The second major problem is that a side effect of industrialisation and technological advancement is enhanced international mobility of both capital and labour. Today, it is, at best, a rough approximation to consider any given country as a self-contained unit with its own national bourgeoisie and national proletariat struggling against one another. Furthermore, many countries are politically, economically or militarily dominated by foreign powers, meaning that these societies cannot even approximately be modeled as self-contained capitalist units.

4. The nature of the state

If one looks purely at situations in which modern capitalist states intervene in economic matters - through legislation, policy and executive orders, it is clear that the interests of the economic elite are of paramount importance. In the communist manifesto, Marx claimed that "the executive of the modern state is nothing but a committee for managing the common affairs of the whole bourgeoisie" and this claim stands up well to empirical analysis. Nevertheless, the modern state is much more than its executive decision making bodies. Over the last two centuries, the state has accrued a great array of functions covering health, education, social welfare, culture and many other areas of social responsibility, in addition to its traditional security and justice roles. This enormous and complex bureaucracy is not easily malleable. Its inertia is such that governments are extremely restricted in their ability to change the way it functions. Furthermore, all states are involved in a permanent competition with other states. Any country that falls behind its peers, in terms of economic, military or technological capacity will be vulnerable to external domination and conquest. This serves to increase the minimum proportion of income that must be allocated to labour, to cover health, education and other services that are necessary to maintain an internationally competitive workforce.



The Role of the State

[8]

image: <http://www.socialistparty.org.uk>

The complex, multi-faceted, slow-changing nature of the modern state does not contradict the socialist model. One can interpret many of the social functions of the state as being either the legacy of concessions granted to labour to defuse class conflict, or productivity enhancing measures to produce a healthier, better-educated, better-motivated workforce in order to keep pace with international competitors. In both cases, a desire to protect the power of the economic elite is still the predominant motivation - and there is a great deal of empirical support for such interpretations. However, it does mean that the functions of the state cannot be derived directly from short-term analysis of class conflict within the society in isolation - both the historical legacy and the international context are important determinants of how the state actually behaves.

Limitations of the limitations

The basic capitalist pattern sees labour and capital allocated to production through competition over wages and investment returns respectively. This pattern has relentlessly expanded to cover a significant proportion of all human productive activity at all levels of the global economy today. A basic feature of the pattern is that the proportion of income allocated to capital and labour is open to virtually arbitrary variation. So basic is the economic conflict of interest around this division, that the proportions are constantly contested at all levels. This contest asserts itself around all issues which have the potential to influence income distribution: which is virtually everything. Even in conflicts that are driven by non-economic factors or inter-state competition or rely on public-service aspects of the state, there is virtually always space for the fine-details of decisions to influence the proportion allocated to some section of labour or capital. The economic conflict of interest is thus virtually always present, in some shape or form, even if it is not the dominant factor. Thus, the basic socialist model is almost always at least partially useful in analysing social conflict. Its application shines a light on at least some of the underlying dynamics. In situations where none of the limitations apply, which covers a large proportion of routine decision-making, its application reveals the major dynamics to such an extent that it produces practically useful predictions.

The pitfalls of the socialist worldview

With the above limitations taken into account, the socialist model is an extremely simple model which can be applied with considerable predictive power in a very wide range of social situations. This is a very useful thing indeed. It allows one to quickly appraise and interpret the various things that happen in the world, in particular the sources of conflict and the forces at play, transforming them from a random stream of events into a coherent and partially predictable narrative of social dynamics.

This makes the socialist worldview very attractive to those who want to understand the world. It is simply much better at predicting and explaining observed behaviour than the dominant liberal democratic alternative. States frequently adopt policies which are inimical to the interests of the majority of the population but deemed advantageous to the interests of small numbers of capitalists. In the liberal democratic view, this should not be possible without some sort of system failure. To the liberal, such situations are anomalies, weird events that break the mould, albeit disturbingly common. They often conclude that they simply failed to explain themselves adequately, leading to a never-ending and futile attempt to marshal more statistics, more lucid logic and better communications. On the other hand, socialists know that the interests of the owners of capital weigh heavily upon every minute consideration of the state and are never surprised when they determine state decisions, no matter how this might offend logic or harm the population's interests.



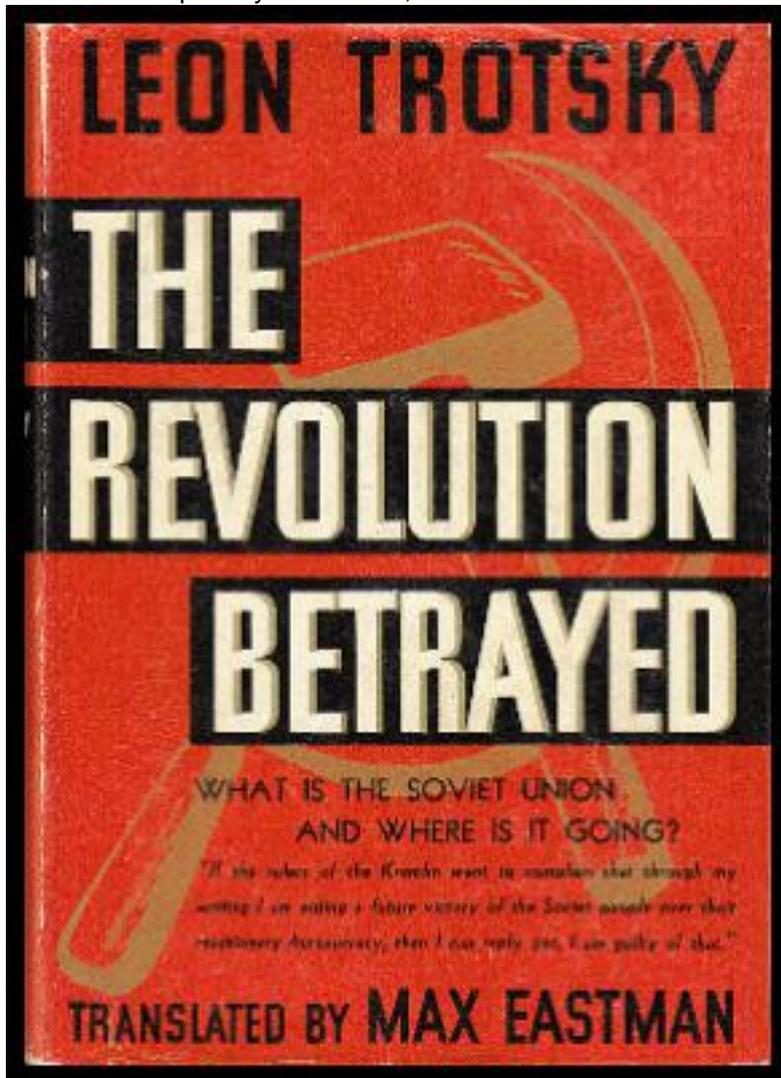
[9]

This creates a fundamental philosophical schism between socialists and liberals which manifests itself in mutual incomprehension and hostility, despite the fact that the two groups often share common objectives. Liberals tend to focus their energies on rationally persuading the state to introduce policies on the basis of their positive impact on the common good. Socialists generally think such persuasion is pointless. They see the balance of class forces as being the decisive factor in social conflicts. From their point of view, the only effective way to bring about desirable social reforms is to organise the workers involved, creating the threat of economic instability and even revolution. Socialists are often contemptuous of liberals' naivete in focusing on persuasion over organising.

The broad applicability of the socialist model of social dynamics has a downside, however. As discussed above, the conflict between labour and capital may be the dominant force that shapes social dynamics in capitalist societies, but it is not the only force. The model's economic basis will almost always produce some insight into the dynamics of conflict in modern capitalist societies – but it is easy to be overly reductive and assume that these are the only forces at play, or worse still, to apply the model to situations where economic conflict is not an important factor. This leads to analyses which treat conflicts that operate on a non-economic level as phoney wars, where the workers involved are duped into fighting one another by a manipulative capitalist class which is explicitly focused on preventing working class unity [2].

Internalisation

Due to its predictive power and general applicability, it is extremely common for socialists to thoroughly internalise the basic socialist model. The conflict of interest between capital and labour becomes a basic cognitive filter that they apply to organise and interpret all information about the world. The division of the world into labour and capital, and the economic conflict between them, assumes living, breathing form in everything they see. Reality and the model become inseparably intertwined, and the model becomes the world as it really is.



[10]

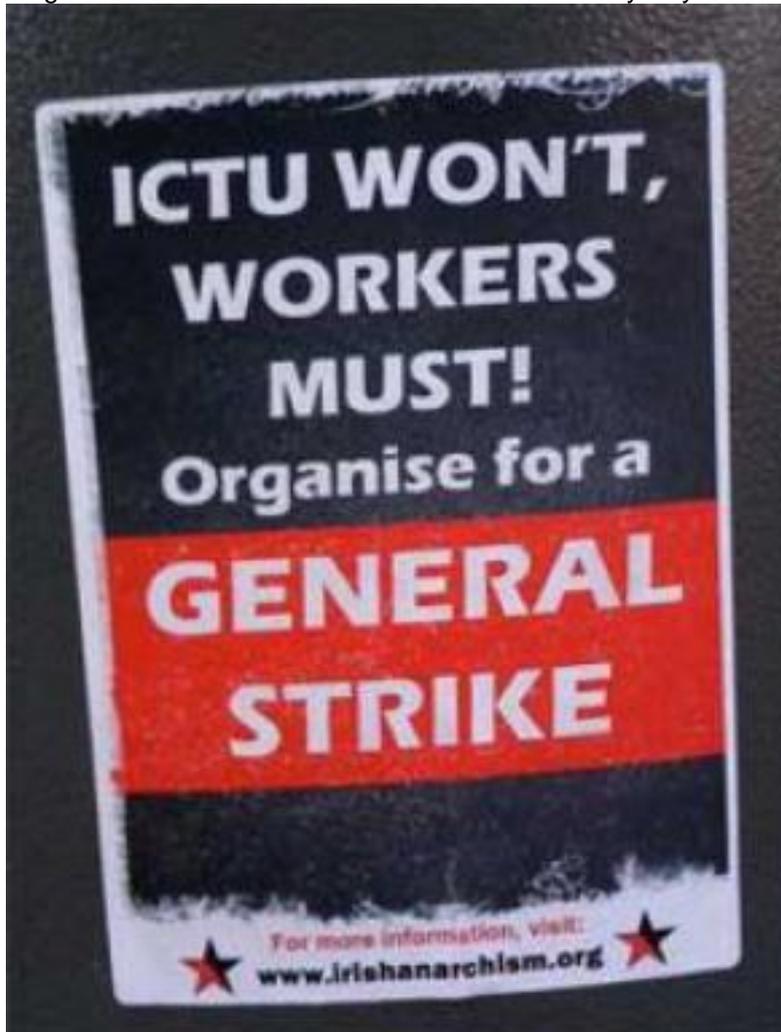
A long history of betrayal image: Trotsky

This internalisation can give socialists an unattractive messianic quality, holders of the secret to seeing the world as it really is, while everybody else is distracted by inane and frivolous details. It also creates both analytic and communication problems when dealing with those who do not share the worldview. So, for example, trade unions, have a special place in the socialist world-view as they organise members on the basis of their status as workers and thus line up unambiguously on the labour side of the divide. Their role, in the socialist worldview, is to organise the workers in the struggle against capital in order to maximise the share of income from production that is allocated to labour. The trouble is that their membership and elected leadership doesn't normally see it like this. They tend to have worldviews that are influenced by the dominant liberal democratic model of society. Union leaders will often consider their responsibilities to include, for example, participating constructively in the state's public governance, considering the national interest, contributing to public debate and even promoting job-creation through concessions which reduce the share of income that goes to labour. When viewed through the socialist model, such actions directly conflict with the objective economic interests of the membership and can only be explained through treachery. When viewed through a liberal-democratic model, such actions can appear to be

simply responsible leadership, making the pragmatic choices that must be faced in a democratic society, plotting a reasonable path through a complex political and economic environment. The model mismatch generates repeated accusations of treachery on one side and incomprehension and contempt on the other.

A further, more abstract, problem caused by equating the model with reality, is that the conflict becomes one between workers and capitalists, rather than labour and capital. In modern consumer societies a very large number of people sometimes act as providers of capital or employers (e.g. through pension funds or other investments, or even when they simply purchase services) and sometimes act as providers of labour. If the struggle is between capital and labour, in the abstract, there is no problem - the abstract conflict of interest merely expresses itself through different aspects of real people's behaviours. If, on the other hand, the model is confused with reality, and mapped directly onto a conflict of interest between well-defined populations of "workers" and "capitalists", then it is necessary to collapse all of the complexity of the conflict between abstract categories into a binary division of people. This creates an endless debate about who exactly belongs to either camp, a debate that is as pointless as it is irresolvable, resting as it does on a fundamental modelling error. Once again, it generates accusations of treachery with great frequency as people who are classified as workers will "betray their class" whenever they act as providers of capital and act according to economic self-interest.

A broader problem is that, when communicating with the public, socialists tend to express their analyses through the lens of their model. The basic analytic division into workers and capitalists is taken for granted. The population at large tends, on the other hand, to see the world as consisting of different groups of people, each with competing claims on democratic justice. This creates a communication mismatch, where socialists are seen as simply repeating a tired old doctrine that does not resonate in any way with their audience.



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The manifestations of these pitfalls are, of course, well enough known amongst socialists themselves that there are

special labels for them. The tendency to view all events through the lens of the model, ignoring all other forces, is known as "class reductionism". The tendency to see treachery everywhere is known as "sectarianism". The tendency to describe everything through the jargon of the socialist model is known as "dogmatism". However, while the manifestations of these problems are well understood, it is rare that they are traced back to their root in the basic predictive model. This means that the remedy tends to be limited to exhortations to avoid the manifestations rather than attempts to refine the model to incorporate other forces, or worse still, to the abandonment of the idea of modelling social dynamics altogether and a retreat into a worldview which consists of a melange of oppressions acting upon individuals, a world with unknowable social dynamics and no analytic or predictive power.

While acknowledging these pitfalls, it should be stressed that they are consequences of the predictive and analytic power of the model, rather than its weaknesses. It is because the model is so generally useful that it is easy to over-apply it, and to confuse the model with the real world. Although the model has its limitations, it is far superior to the liberal-democratic model in its utility in terms of understanding modern societies' internal dynamics. And this superiority is at the root of the final pitfall that I shall mention. In practice socialists spend an enormous proportion of their efforts pointing out the failings of the liberal democratic world-view. This has the advantage of being easy, as events routinely diverge massively from the democratic ideal. It has, however, the disadvantage of being largely pointless because cynicism about that model is already widespread among the population. It is the lack of belief in the viability of a socialist alternative which maintains and deepens socialism's marginalisation rather than naive faith in liberal democracy.

That's the last of the theory for a while. Next week I'm returning to my personal narrative of life inside the far left

Notes

[1] The basic socialist model transcends nations - the conflict of interest between capital and labour is a feature of the capitalist economic model and does not depend upon nationality. Socialists advocate workers uniting across borders (workers of the world unite!) and tend to argue that people should not participate in inter-state conflicts. However, this is an idealist position - if a country is conquered by an external power, history shows that the entire population of the defeated country tend to fare badly. Thus, it has rarely had much of an impact. If a nation's proletariat refuses to fight their proletarian brothers, unless the proletariat in the antagonistic nation takes a near simultaneous decision to do the same, it will simply lead to defeat. For example, the revolt of the German navy which ended the first world war did not have a positive result for the German proletariat - the Nazi regime was their reward.

[2] For example, in the case of the conflict between Israel and Palestine, socialists have sometimes focused on the conflict of interest between capitalists and workers in both societies and have sometimes glossed over the fact that, given the ethno-religious basis of the conflict, the common interests between the classes of each nation are much stronger than the common interests of each class across the borders, given any remotely realistic forecast of how the conflict might evolve. Similarly, in Northern Ireland, socialists have tended to see a desire, on the part of capitalists to divide the workers as being the most important force driving the conflict and downplayed the much more important ethno-religious identity-based division.

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[5] <http://www.chekov.org/blog/last-great-victory>

[6] <http://www.chekov.org/sites/default/files/PB0858.jpg>

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