

SOCIALISM


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Introduction and Meaning

- ❖ Socialism is a political and economic approach characterized by social proprietorship and democratic control of the means of production .
- ❖ Socialism has been theorized from the standpoint of an economic system, a philosophy, or even a type of society.
- ❖ Socialism as an ideology supports collectivism and as an economic/social system seeks freedom of the oppressed in an unequal society.

- ❖ Socialism sought for the *collective ownership and control of the means of production*.
- ❖ It calls for *state owned businesses and state controlled distribution of wealth*.
- ❖ It holds that the social or government control of the means of production and distribution is necessary for the welfare of the individual and society.
- ❖ According to the advocates of socialism, *individual freedom is better secured under a state regulation*
- ❖ They seek to *expand the activities of the state in the economic sphere*.
- ❖ It stands for the *eradication of present economic inequalities and wants to establish equality*.
- ❖ It emphasize *social equality and welfare*.
- ❖ *Opposed to private property*.

- ❖ A socialist system operates on the premise that what is good for one is good for all and vice versa. *Everyone works for their own good and for the good of everyone else.*
- ❖ The *government decides how wealth is distributed* among public institutions.
- ❖ The *taxes are usually higher* than in a capitalist system.
- ❖ There are government run health care and educational systems for taxpayers.
- ❖ It emphasize more *equal distribution of wealth among people.*

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- ❖ Socialist choose *cooperation to competition*, and favour *collectivism over individualism*.
 - ❖ The defining value of socialism is *equality*, socialism sometimes portrayed as a form of egalitarianism.
 - ❖ Socialist consider that a measure of social equality is the essential assurance of social stability and cohesion, and that it supports freedom in the sense that it gratifies material needs and helps for personal development.
 - ❖ The socialist movement has conventionally articulated the interests of the industrial working class, seeing as systematically troubled or structurally disadvantaged within the capitalist system. The objective of socialism is to lessen or *abolish class division*

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- ❖ Socialism, in a Marxist sense, is **the first stage of communist society**. The later is a classless society, based on social harmony, in which the state has withered away and people receive “according to their need”.
 - ❖ Socialism holds that property, disease and ignorance shall be eliminated.
 - a) Property and privilege in any form shall occupy a strictly limited place.
 - b) All citizens shall have equal opportunities.
 - c) Ethical and spiritual values shall contribute to the enrichment of the individual and communal life.

Features of Socialism

1. **Public ownership-** a socialist economy is categorised by public ownership of the means of production and distribution. There is a collective ownership whereby all mines, farms, factories, financial institutions, distributing agencies, means of transport and communications are owned, controlled and regulated by government departments and state corporations.
2. **Emphasize on society than on individual-** it subordinates individual interests to the higher interests of the society as a whole.
3. **Aims at abolition of private property-** it stands for abolition of private property. It is said that land is a free gift of nature and as such nobody should use it for personal interest.
4. **Aims at elimination of capitalism-** the capitalism and entrepreneurs are considered to be the natural enemies of the working class. Under the capitalist system of production, there is competition for the sake of profits alone. That is both unhealthy and anti social. As the state is the guardian of the masses and the repository of the interest of all, it must protect the people from tyranny of capitalism and that can be done by destroying it root and branch.

5. **Opposed to capitalism-** socialism opposed to capitalism, because capitalism based on the principle of profit making and does not talk about common good. It leads to unequal distribution of wealth among different classes. The rich grow richer and the poor become poorer. So socialism aims at the abolition of capitalism.
6. **Socialism stands for equality-** socialism seeks to establish equality in society. It aims at introducing greater equality into social conditions.
7. **Central planning-** a socialist economy is centrally planned which operates under the supervision of a central planning authority. It lays down the various objectives and targets to be accomplished during the plan period.
8. **Stands for elimination of competition-** the socialists stand for cooperation instead of competition because in capitalism there is no fair competition between the rich and the poor.

9. **Definite objectives-** a socialist economy functions within definite socio-economic objectives.
10. **Equality in income distribution-** in socialism there is a great equality of income distribution as compared with free market economy.
11. **Planning and pricing process-** the pricing process under socialism does not operate freely but works under the control and regulation of the central planning authority.
12. **Stands for elimination of private enterprise-** socialism is not only against abolition of private property but it also stands for the elimination of private enterprise. It stands for nationalization of all factories of production

Development of Socialism

Early phase:

- Socialism has developed in the first half of the 19th century.
- Socialism developed by opposing the individualistic thought of capitalism.
- As a doctrine has emerged after the French revolution and especially through the writings of Karl Marx.
- But the idea of socialism is very old. Plato's **Republic** and Sir Thomas More's **Utopia**, dating from 1516, have been cited as including socialist or communist thought.
- Plato in his book *The Republic*, gave the idea of the **communism of family and property**.
- Thomas More in his book *Utopia*, **imagined an island state, in which there would be an ideal economic, social and political system.**

Modern phase:

- Modern socialism arose in the beginning of the 19th century in Britain and France.
- In the beginning of 19th century, **socialist thought was mainly utopian in nature**, followed by the more pragmatic and revolutionary socialist and communist movements in the end of the 19th century.
- Socialism emerged in the 19th century **as a reaction against the growth of industrial capitalism and was linked to the development of the working class**. The working class suffered from exploitation by the bourgeoisie. The ruling class both degraded and caused poverty for the working class. Early socialist sought radical change to industrial capitalism.
- Social critics in the late 18th century and early 19th century such as **Robert Owen, Charles Fourier, Pierre Joseph Proudhon, Louis Blanc, Saint Simon** criticized the **excesses of poverty and inequality of the industrial revolution**, and advocated reforms such as the egalitarian distribution of wealth and the transformation of society into small utopian communities in which **private property was to be abolished**.

Socialist religious movement:

- Some socialist religious movements, such as the **Shakers in America**, also date from this period, as does the **Chartist movement** for political and social reform in the UK. (the first mass working class movement in the world)

Two revolutions and socialist thought:


- The industrial revolution brought about the rapid expansion of industries through mass production.
- The industrialization of Western Europe led to the exploitation of the working class.
- As a result, the living conditions of industrial workers deteriorated substantially by the middle of the 19th century as poverty, squalor and degradation grew. And to overcome the situation socialist thought has developed.
- In 1789, as an anti thesis to the industrial revolution French revolution has took place and this revolution emphasizes on the principles of liberty, equality and fraternity. These ideas help to the development of socialist thought.

Karl Marx and scientific socialism:

- Famous German political philosopher, Karl Marx first employed systematic analysis, known as **scientific socialism** in a determined attempt to expose capitalism's contradictions and the specific mechanisms by which it exploits and alienates.
- He is regarded as the father of scientific socialism.
- According to Marx the scientific basis of socialism are-
 - a) Dialectical materialism
 - b) Economic interpretation of history
 - c) Class struggle
 - d) Theory of surplus value

Marx and Engels:

- In 1848, Marx and Engels through the publication of **Communist Manifesto** imparted a new insight to socialist theory, and sought to redefine socialism in tune with realities.
- In 1864, the **International Workingman's Association (IWA) or the First International**, was originated in London, and became the first major international forum for the proclamation of socialist thoughts, under the leadership of Marx and Johann Georg Eckardt.
- Marx and Engels jointly founded the **Social Democratic Workers' Party of Germany in 1869**.
- They were responsible for establishing the Second International in 1889.
- Their main view was that **capitalism was unmanageable and would be abolished by the working class in a revolution**. They had the opinion that the working class will ultimately rise up against the ruling class to control the means of production. Socialism in this sense is viewed as the step between a country's current state and its move to complete communism.

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- Lenin stated that the period “between capitalist and communist society which is the period of revolutionary transformation of the former into the later” could be labelled as the socialist period.
 - In that case, it is a transformational period in which Lenin called its state structure as the revolutionary despotism of the proletariat.
 - In this respect, socialism is visualized as a predecessor to communism.
 - This suggest the direct control of the services and industries by the workers and whereby all authorities in such economy instigate from the workers’ union.

Socialism in 20th century:

- When the 1st world war underway in 1914, the socialist social democratic parties in the UK, France, Belgium and Germany sustained their respective states' war effort, discarding their commitment to internationalism and solidarity and the second international liquefied during the war.
- In Russia, **Vladimir Ilyich Lenin condemned the war as an imperialist conflict**, and advised workers at international level to use it as an occasion for **proletarian revolution**.
- In February 1917, revolution broke out in Russia and the workers, soldiers and peasants established councils.
- The Bolsheviks won a majority in the Soviets in October 1917 and, at the same time, the **October revolution was led by Lenin and Leon Trotsky**.

- The new Soviet government instantly **nationalized the banks and major industries**, rejected the former Romanov regime's national debts, **charged for peace and withdrew from the first world war**, and implemented a system of government through the chosen Workers' Councils or Soviets.
- The Third International (Communist International) was an international communist organization founded in Moscow in 1919.
- After the death of Lenin in 1924, the communist party of the Soviet Union, under **Josef Stalin announced a policy of 'socialism in one country'**.
- This resulted in polarization of socialism around the question of the Soviet Union.
- Several countries such as Hungary, Poland, Germany, Rumania had adopted the model of socialism.
- **in 1991, when the Soviet Union has disintegrated the dominance of socialism has reduced.**
- Presently socialism is continued in China, Cuba, North Korea, Laos, Vietnam, Russia etc.

Types of socialism

Evolutionary socialism

- ✓ Evolutionary socialism seeks to establish socialism by evolutionary process, or by degrees, not by wholesale transformation of society in a single stroke
- ✓ Evolutionary socialism admits an attitude of 'compromise' – compromise between capitalism and socialism, so that the capitalist system is allowed to continue with some changes here and there in the socialist direction.
- ✓ Evolutionary socialism relies on the democratic method, parliamentary reform and even economic planning on the plea that the interests of the underprivileged sections, especially the working classes, might be represented and taken care of by their representative and leadership. Therefore coterminous with 'democratic socialism'.
- ✓ Also known as liberal socialism.

Revolutionary socialism


- Revolutionary socialism seeks to establish socialism by revolutionary process, by overthrowing the capitalist system in a single stroke.
- Revolutionary socialism seeks to transform the social system thoroughly.
- It belongs to the Marxist tradition, known as Marxian socialism.
- Revolutionary socialism insists on organizing the working classes for fighting against capitalism so as to overthrow the capitalist order and establish complete socialization of the instruments of production and distribution, by revolution.
- It wants to secure a classless society.

Evolutionary socialism

- ✓ Evolutionary socialism aims at securing the rights of the working classes, especially their economic rights, as a part of the supposed common interest of the community.
- ✓ Thus, it subscribes to the theory of harmony or equilibrium as the governing principle of social relationship, corresponding to the position taken by modern liberalism.
- ✓ Types of evolutionary socialism are-
 - 1) Fabian socialism
 - 2) German social democracy
 - 3) Revisionism
 - 4) Syndicalism
 - 5) Guild socialism

Fabian socialism

- ❖ The first systematic doctrine of democratic socialism or evolutionary socialism, developed in England by the Fabian Society in 1884.
- ❖ The term Fabian was adopted after the name of a great Roman general Quintus Fabius.
- ❖ The motto of Fabians- **for the right moment you must wait, as fabius did, most patiently.**
- ❖ Fabian socialist regarded the transition from capitalism to socialism as a gradual process.
- ❖ George Barnard Shaw, Sydney Webb, Beatrice Webb, Sidney Olivier, Graham Wallas, G D H Cole etc are some prominent fabian socialist.

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- ❖ Fabian socialist sought to modify Marxian concepts in several ways-
 - a) They based on their economics on the **Ricardian law of rent** rather than on the labour theory of value.
 - b) They didn't rely exclusively on the working class for bringing about social change, but talks about **the middle class**.
 - c) They sought to introduce socialism, not in a single stroke, but by degrees through state and cooperative ownership of industry, increasing power of labour in legislative and executive offices, growth of trade unions and educational movements and development of social consciousness- **through gradual democratization of society in the political, economic and intellectual fields.**

German social democracy

- Another important version of evolutionary socialism, developed by **Ferdinand Lassalle**.
- Lassalle accepted the doctrine of economic interpretation of history.
- Instead of a violent overthrow of the capitalist state, Lassalle suggested that **the working class should organize itself into a political party with a view to securing universal, equal and direct suffrage so as to make its power legally effective.**
- Thus Lassalle envisaged a constitutional and peaceful transition from the capitalist state to a workers' state.

Revisionism

- Another version of evolutionary socialism that emerged in Germany itself was the revisionist school led by **Eduard Bernstein**.
- It also sought to revise some of the basic tenets of Marxian theory-
 - i. The class struggle had become less intense because the conditions of the working class had improved rather than deteriorated
 - ii. The middle class had, in fact, expanded rather than shrunk
 - iii. Large areas of industry had remained in small scale production rather than concentrated in large scale industries.
- Bernstein insisted that socialism should be treated more as a movement than an ultimate goal.
- **Bernstein preferred democracy**, a genuine partnership of all adult citizens in a limited government as their joint enterprise.
- Liberal democracy was, to his mind, the very substance of socialism.

Aims and objectives of Fabianism

1. Emancipation of land and industrial capital
2. Equality of opportunity
3. Dissemination of socialist ideas
4. Universal education

Syndicalism

- Syndicalism developed in France and Latin American countries.
- Syndicalism insists on **the complete independence of labour unions from political parties.**
- It insisted on **the exclusive right of workers to control industry.**
- Syndicalism stood for '**socialization without state**'.
- The main theme of syndicalism are-
 - a) Syndicalism accepted the class struggle theory of Marx.
 - b) It preached abolition of the political state.
 - c) It urged industrial action as the only effective means of bringing about a revolutionary change in society and treated the '**general strike**' as a means of securing workers' control over industry.
 - d) It visualized a social order in which all power would be given to the producer; trade and industrial unions would serve as the economic framework of society.

Guild socialism

- Guild socialism emerged in the first quarter of the 20th century in England.
- Guild socialism originated as a trend in the British labour movement which enjoyed great ideological success in the period from 1916 to 1926.
- The main theme of guild socialism are-
 - i. It upheld the Marxian emphasis on class struggle.
 - ii. It stood for the abolition of the wage system and demanded representation of the workers in industrial control.
 - iii. It sought to modify syndicalism by introducing