

Proudhon, Father of Self-Management

Daniel Guérin

1978

Contents

A statist solution and a libertarian solution	3
Small and Large Industry	4
Self-management foreseen in detail	6
Who owns the enterprises?	9
Exchange on what basis?	10
The pros and cons of competition	12
A unitary socialisation	14
A socialist sector and a private sector	15
Conclusions	15
Learning self-management	17

In pondering the problems of workers' associations or, as we say today, self-management, Proudhon¹ was one of the very first to try and answer the question already discussed by other social reformers of the 19th century and which men today, with even more puzzlement, ask themselves: *who should manage the economy?* Is it private capitalism? Is it the State? Is it the associated workers? In other words, three options presented themselves, and still present themselves: free enterprise, nationalisation, socialisation, that is to say self-management.

A statist solution and a libertarian solution

Proudhon was, from 1848, the ardent promoter of the third solution.² He thus separated himself from most of the socialists of his time, supporters, at least on a transitional basis, of management by the State. Their spokesman was Louis Blanc, in his booklet on the *Organisation of Labour* (1840).³ Louis Blanc was Proudhon's bête noire, in the absence of Marx and Engels, whose *Communist Manifesto*, written in German at the end of 1847, did not come to his attention. In this *Manifesto*, which is influenced by Louis Blanc, we read:

"Centralise all instruments of production in the hands of the State."

State centralisation returns like a mantra:

"Centralisation of credit in the hands of the State, by means of a national bank, with State capital and an exclusive monopoly.

"Centralisation, in the hands of the State, of all means of transportation.

"Organisation of industrial armies, particularly for agriculture."

It is true that the authors of the *Manifesto*, still following in the footsteps of Louis Blanc, envisaged a further stage, no longer statist, but libertarian, when the proletariat, having destroyed classes, and thus class antagonisms, political power would cease to exist, the State would disappear and production would be managed by the associated workers.

But the end of the transitional statist period is relegated to a distinct future, more or less considered "utopian" and as a result, one feels exempt from having to delve, prematurely, into the problems of workers' self-management. Quite to the contrary, Proudhon considers self-management as a concrete, immediate problem; he outlines its functioning in detail. A somewhat utopian approach at the time, [it is] much more relevant today.

Before setting out Proudhon's conception of workers' self-management, it is necessary to briefly recall, by contrast, his rejection of an "authoritarian" management of the economy. As he was unable to read the *Communist Manifesto* and was only imperfectly familiar (notably through *The Poverty of Philosophy*, written in French) with Marxian thought, it was mainly against Louis Blanc, his compatriot and direct adversary, that he multiplied his attacks:

¹ Paper presented at the Proudhon Symposium (Brussels, November 24–25, 1965).

² While the 1848 Revolution undoubtedly saw workers' associations come to the forefront of his ideas as a consequence of the opportunity for their creation on a wide basis, Proudhon's support for self-management and association had appeared in his earlier works, including *What is Property?* (1840) and *System of Economic Contradictions*. (1846) (Translator)

³ Louis Blanc (1811–1882) was a French socialist politician, journalist and historian. He called for the creation of cooperatives initially aided and run by the State but eventually controlled by the workers themselves. These cooperatives would reform capitalism away by out-competing capitalist firms, leading to the end of competition by planning. Following the Revolution of 1848, Blanc became a member of the provisional government which formed National Workshops (*Ateliers Nationaux*) to provide work for the unemployed. Their closing led to the June Days uprising. (Translator)

“The State is the patrimony, it is the blood and life of Louis Blanc. Snuff out the State, Louis Blanc is a dead man.” “The economic revolution accomplished, can the government, the State, still exist? With the economic revolution (...) the State must entirely disappear.”⁴ The instruments of production and exchange should not be managed by the State. Being to the workers who use them “what the hive is to the bees”, their management should be entrusted to workers’ associations.⁵ Only then “large industry, which, through the alienation of collective force, had reduced the wage-worker to a condition worse than that of the slave, becomes one of the principal organs of liberty and public prosperity.”⁶ “We, associated producers or in the process of association,” proclaims Proudhon in the style of a manifesto, “we do not need the State (...) Exploitation by the State is always monarchical, always wage-labour (...) We do not want the government of man by man any more than we want the exploitation of man by man. Socialism is the opposite of governmentalism. (...) We want these associations to be (...) the initial nucleus of this vast federation of companies and societies, united in the common bond of the democratic and social republic.”⁷

Small and Large Industry

The “workers’ association” is the newborn of 1848. The February Revolution saw the birth in Paris and Lyon of a spontaneous flowering of workers’ productive associations. This nascent self-management is, for the Proudhon of 1848, much more than the political revolution, the “revolutionary fact”. It was not invented by a theoretician, preached by doctrinaires. It was not the State that gave the initial impulse. It was the people. And Proudhon urges the workers to organise themselves in a similar way throughout the Republic, to attract to themselves, first small property, small commerce and small industry, then large property and large enterprises, then the largest operations (mines, canals, railways, etc.) and, in this way, “to become masters of everything.”⁸

Today, we tend to remember Proudhon only for his inclinations, naïve certainly, anti-economic without a doubt, to ensure the survival of small craft and commercial enterprises. Certainly, there is no shortage of texts in which Proudhon takes the side of small producers. He had given a postscript of one of his writings the title “Apotheosis of the middle class” and he had “dreamed of a reconciliation of the proletariat and the middle class.”⁹ In his posthumous book, *Theory of Property* he will make the following statement: “The purpose of workers’ associations is not to replace individual activity with associated activity [*l’action sociétaire*], as was foolishly believed in 1848, but to ensure that all entrepreneurs in small and medium industry, as well as small owners, benefit from discoveries, machines, improvements and processes otherwise inaccessible to middling enterprises and fortunes.”¹⁰

⁴ *Idée générale de la révolution au XIXe siècle*, 1851, éd. Rivière, 1923, pp. 363–364. [“Resistance to the Revolution: Louis Blanc and Pierre Leroux”, *Property is Theft! A Pierre-Joseph Proudhon Anthology*, 479–80]

⁵ *Ibid.*, pp. 266–278, 329. [“General Idea of the Revolution”, *Property is Theft!*, 579–84, 595]

⁶ « Manifeste électoral », *Le Peuple*, n° 4, 8–15 November 1848, in *Mélanges, 1848–1852*, 1868, t. I. [“General Idea of the Revolution”, 585]

⁷ *Ibid.*, an almost identical passage is to be noted in *Idée générale...*, p. 280. [“Election Manifesto of *Le Peuple*”, *Property is Theft!*, 376–378; “General Idea”, 585]

⁸ *Manifeste électoral*, cit. [“Election Manifesto of *Le Peuple*”, 375]

⁹ Post-scriptum of 1851 to *Les Confessions d’un révolutionnaire*, 1849, éd. Rivière, 1929.

¹⁰ *Théorie de la propriété*, 1866, p. 183.

But Proudhonian thought is ambivalent on this point. Proudhon, too often contradictory, criticises property, a source of injustice and exploitation, while at the same time celebrating it in so far as he sees in it a guarantee of personal independence. Moreover, he is too often confused with the “small so-called Proudhonian coterie” which, according to Bakunin, had formed around him in the last years of his life. This rather reactionary clique was a “stillborn”.¹¹ It tried in vain, in the First International, to oppose private ownership of the means of production to collectivism. And if it did not live long, it was mainly because the majority of its followers, easily convinced by Bakunin’s arguments, were not long in abandoning their supposedly Proudhonian conceptions for collectivism.

Moreover, the last handful of “mutualists”, as they called themselves, only partially rejected collective property: they only fought it in agriculture, given the individualism of the French peasant; but they accepted it in transport and, in terms of industrial self-management, they were demanding the thing whilst rejecting the name.¹² If they were so afraid of the name, it was, above all, because the temporary united front formed against them by the collectivist disciples of Bakunin and certain “authoritarian” Marxists, barely disguised partisans of statist management of the economy – such as Lucraft¹³ at the Basel Congress – was not reassuring. Marxist defamation did the rest, attributing to Proudhon the somewhat retrograde views of his epigones.

In fact, Proudhon moves with his times. As the late Pierre Haubtmann points out in his masterly thesis¹⁴, “He has often been presented as hostile to the very principle of large-scale industry. Quite wrongly. Without doubt, at the sight of the Moloch factory – as of the all-pervasive State – he sketches a reflex of fear which makes him lean, by reaction, towards small-scale production and decentralisation. But, as far as economic life is concerned, one would be mistaken in imagining that he is hostile to the principle of large-scale production. On the contrary, he will insist at length, and sometimes in enthusiastic terms, on the need for powerful workers’ associations for production, their role and their magnificent future. He therefore accepts, he even wants large-scale industry (...) But his purpose is to humanise it, to exorcise its evil power, to socialise it by handing over its destiny to a ‘community of workers, equal, free and responsible.’”

Proudhon understands that it is impossible to go back.¹⁵ He is realistic enough to see, as he confides in his *Carnets* [Notebooks], that “small-scale industry is as foolish a thing as small-scale cultivation.” For large modern industry, requiring a large number of workers and extensive mechanisation, he is resolutely collectivist: “Large-scale industry and large-scale cultivation must in the future be born from association.”¹⁶ In *General Idea of the Revolution in the 19th Century* (1851), he repeatedly refers to this modernist conception: “Workers’ companies, a protest against wage-labour, are called upon to play a considerable role in our future. This role will consist mainly

¹¹ Bakounine, *Œuvres complètes*, t. I, première partie, p. 241.

¹² James Guillaume, *Le Collectivisme de l’Internationale*, Neuchâtel, 1904, p. 12.

¹³ Benjamin Lucraft (1809–1897) was a craftsman and advocate of Chartism who was a founder member, and sometime chairman, of the General Council of the International Workingmen’s Association. He was a delegate to the Brussels Congress of 1868 and the Basle Congress of 1869, at which he not only advocated land nationalisation but he further argued for the large-scale cultivation of the land by the State on behalf of the people, as against peasant proprietorship. (Translator)

¹⁴ Pierre Haubtmann, *Proudhon, sa vie et sa pensée, 1809–1849*, thèse principale (inédite), 1961, pp. 681–682.

¹⁵ *Ibid.*, pp. 994–995, based on unpublished notes from Proudhon’s *Cours d’économie* [Course in Economics].

¹⁶ *Carnets*, t. 3, 1946, p. 114.

in the management of the great instruments of labour, and in certain tasks, which [require] both a great division of functions, a great collective force (...) [such as the railways].”¹⁷

The author of *Justice in the Revolution and in the Church* (1858) was indignant that he had been made to appear as an opponent of technical progress.¹⁸ In his last work, published shortly after his death, *On the Political Capacity of the Working Classes*, he confirmed once again: “The running of railways should have been entrusted to companies of workers.” “Whether it is a question of large-scale production, manufacturing, mining, metalworking, shipping, it is clear that there is a need for association: no one disputes this anymore.”¹⁹

The legend of a Proudhon who was simply “petty-bourgeois” therefore needs to be corrected.

Self-management foreseen in detail

Going into the specifics of workers’ self-management, Proudhon lists, with remarkable precision, its essential conditions:²⁰

Every associated individual has an undivided right in the assets of the company.

Every worker must assume his share of the repugnant and painful duties.

He must go through a series of labours and skills that provide him with an encyclopaedic education. (I found a similar recommendation in an 1830 issue of Robert Owen’s journal, *The Cooperator*) Proudhon is absolutely determined to “make the work go through the entire series of the activities of the industry to which he is attached”. “Thus the division of labour can no longer be a cause of degradation for the worker; on the contrary, it is the instrument of his education and the guarantee of his security.”²¹

Here, Pierre Haubtmann, commenting on Proudhon, remarked that for Marx it is the “automatic workshop” – today we would say automation – which, through the division of labour and the reduction of working hours, both pushed to the extreme, which allow every man to achieve his “complete development”. The machine taking over from man, de-alienation will take place, not in work, but in leisure. Proudhon is not very attracted by such a perspective. For him, man is essentially a producer. He would like him to be constantly at work. We are at the antipodes of the famous *Right to be Lazy* by Paul Lafargue. For the fierce puritan, for the Saint Paul of socialism that is Proudhon, *leisure* is not far from being synonymous with *lechery*.²² He expects the “de-alienation” from a mode of production that would give the worker a synthetic view of the labour process.²³

Proudhon stresses in *Justice*: “The spirit is no longer in the worker, it has passed into the machine. What should produce the workers’ virtue has become their stupefaction.” These evils could only be corrected “if the collective forces alienated for the profit of a few exploiters returned to labour as a whole.”²⁴ Proudhon counted upon an increase of productivity under self-management, thanks to the joy of de-alienated work.

¹⁷ *Idée générale...*, pp. 178, 275. [“General Idea of the Revolution”, 558, 583]

¹⁸ *De la justice dans la Révolution et dans l’église*, 1859–1860, éd. Rivière, 4 vol., 1930, cit., t. III, pp. 489–493.

¹⁹ *De la capacité politique des classes ouvrières*, 1865, éd. Rivière, pp. 171, 190.

²⁰ *Idée générale...*, pp. 277–283, 329. [“General Idea of the Revolution”, 583–6]

²¹ *Ibid.*, pp. 277–283, 329; – Haubtmann, Proudhon..., cit., p. 996.

²² Cf. « Proudhon, refoulé sexuel », see below [in *Proudhon, Oui & Non*], p. 195.

²³ Marx, *Misère de la philosophie*, pp. 136 et seq. of the original edition; – Pierre Haubtmann, op. cit., pp. 998–999.

²⁴ *De la Justice...*, III, p. 91.

After this digression, let us resume the list of the essential conditions of self-management, still according to Proudhon:

Positions are elective and regulations are subject to the approval of the associates.

Remuneration is proportional to the nature of the role, to the significance of the skill, to the extent of the responsibility. Every associate participates in the profits in proportion to his services.

Everyone is free to leave the association at will, to have his account settled and his rights liquidated.

The associated workers choose their leaders, their engineers, their architects, their accountants. Proudhon insists on the fact that the proletariat still lacks [certain] abilities. It must be recognised that “the working class is still, through the insufficiency of its views and its inexperience in business, incapable of managing such great interests as those of commerce and great industry, and consequently not risen to its own destiny. Men are lacking in the proletariat.”²⁵ Hence the need to associate with self-management “industrial and commercial notables” who would initiate the workers into the discipline of business and would be remunerated by a fixed salary: there is “room for everyone under the sun of the revolution.”²⁶

In passing, let us note that this libertarian conception of self-management is the antithesis of the paternalistic and statist self-management as set out by Louis Blanc in a draft decree of 15 September 1849.²⁷ The author of the *Organisation of Labour* wanted to create workers’ associations under the aegis of the State, financed by the State. He envisaged for them an authoritarian distribution of profits, broken down as follows:

- 25% to a capital depreciation fund;
- 25% to a social relief fund;
- 25% to a reserve fund;
- 25% to be shared between the workers.

Proudhon wants nothing to do with a self-management of this kind. Associated workers must not “submit to the State,” but “be the State itself.”²⁸ “Association (...) can do everything, reform everything without the assistance of power, overwhelm and subjugate power itself.” Proudhon wishes to “progress to government through association, not to association through government.”²⁹ He warns against the illusion that the State, as dreamt of by the “authoritarian” socialists, could tolerate free self-management. How, indeed, could it tolerate “alongside a centralised power the formation of enemy centres”? Hence this prophetic warning: “Nothing is feasible by the initiative, by the spontaneity, by the independent action of individuals and collectives as long as they are in the presence of this colossal force with which the State is invested by centralisation.”³⁰ Proudhon, in fact, anticipates here the drama of contemporary self-management, attempted and unsuccessful, within the framework of a more or less dictatorial State, whether in Yugoslavia, Algeria, or elsewhere.

²⁵ *Ibid.*, p. 115.

²⁶ *Idée générale...*, cit.

²⁷ *Confessions...*, ch., éd. Rivière, pp. 257–260.

²⁸ « Manifeste de la démocratie anarchiste », *Peuple*, 22, 26 et 31 mars 1848, reproduced in *Solution du problème social*, 1868.

²⁹ *Carnets*, t. 3, 1968, pp. 211, 312.

³⁰ *De la capacité politique...*, pp. 329, 403.

It is the libertarian conception, and not the statist conception, of self-management that prevailed in the congresses of the 1st International. At the Lausanne congress (1867), the rapporteur, the Belgian César de Paepe, having proposed to make the State the owner of the enterprises to be nationalised, Charles Longuet, then a libertarian, stipulates: “Agreed, on the condition that it is clearly understood that we define the State: [as] the collectivity of citizens (...), also that these services are not administered by functionaries of the State, (...) but by workers’ companies (...)” The debate resumed the following year (1868) at the Brussels Congress and the same rapporteur this time took care to provide the requested clarification: “Collective property would belong to society as a whole, but it would be licenced to workers’ associations. The State would no longer be anything more than the federation of the various groups of workers.” Thus clarified, the proposal is adopted.³¹

However, the optimism that Proudhon showed in 1848 with regard to self-management will be cruelly belied by the lessons of facts. The illusions he had nurtured gradually faded. Their decline can be followed in his *Carnets*.³² In October 1850, he wanted to have confidence again: “We must wait for a final submission, the outcome of the various attempts at workers’ associations that are being made in Paris. The People will be more adept than us. They will go far.”³³ A few days later, he is already torn between hope and doubt: “Workers’ associations are on the agenda (...) Everyone is courting them. They will end up doing good business, if they know how to mine the seam. (...) There will be disappointments, Then, once the number has become somewhat significant, they will assist each other; because universal association is impossible.”³⁴

But, during the course of 1851, the worsening of the counter-revolutionary process went hand in hand with the decline of the associations. Proudhon did not hesitate to call them “pure childishness.” And he comments acidly: “The managers confess *in petto*, and in private, their impotence, the radical impotence of the working class. A wicked method of emancipation.”³⁵ A little later: “Workers’ Associations. They progress poorly. They produce (...) *much less, more expensively*; they are inferior on all points.”³⁶ Then the complaints follow one after the others: “Workers’ societies: mediocre; few succeed. Pettiness, distrust, petty vanities and ambitions.” And this distressing remark: “If the bourgeoisie took charge of the matter, it would be ten times more advanced.”³⁷

And the bean-counter who slumbers in Proudhon grumbles: “*Workers’ associations*. They are not working well. Those who received capital from the State have devoured it, and nothing shows for it. In their inventories they value their products at *the selling price*; they price their workdays very high [*ils portent leurs journées très haut*], so that after the deductions are made, there is nothing left for general expenses, nothing for the reserve and profits.”³⁸

In 1853, probably because the working class had allowed Louis-Napoleon’s coup d’état to take place without reacting, Proudhon become even more corrosive: “The ignorant, insolent, in-

³¹ Jacques Freymond, *La Première Internationale*, 1962, t. I, pp. 151 and 365–465.

³² These extracts from the *Carnets* did not appear in the paper presented at the 1965 symposium.

³³ *Carnets*, t. 4, p. 53.

³⁴ *Ibid.*, p. 78.

³⁵ *Ibid.*, p. 229.

³⁶ *Ibid.*, p. 239.

³⁷ *Ibid.*, p. 258.

³⁸ *Ibid.*, p. 265.

tractable, stubborn worker wants to be master: master of the mills and factories which he is incapable of running.”³⁹

But, in this harsh criticism, it is not always easy to distinguish between the technical and the political. For Proudhon reproaches certain associations above all for absorbing the individual, for undermining freedom, for being centres of “communism”, for taking inspiration from Fourier, Louis Blanc, Pierre Leroux, for selfishly aspiring to “a workers’ feudalism”, for constituting a nursery of “chiefs” who “work to maintain their domination.” And he predicts: “All these smoke-filled ant-hills will soon dissipate.” These workers’ associations “will never be anything but *associations of masters*, like the others.”⁴⁰

In addition, it is the imperial power that it working to undermine workers’ associations. They are “neglected, repressed, under the pretext of conspiracy.”⁴¹

A few years later, in 1857, Proudhon would make a disenchanted assessment of the still surviving workers’ associations. Their inspiration had been naïve, illusory, utopian. They had paid the price of inexperience. They had fallen into particularism and exclusivism. They had functioned as a collective employer, suffering the practice of ideas of hierarchy and supremacy. All the abuses of capitalist companies “were exaggerated still further in these so-called fraternal companies.” They had been torn apart by discord, rivalries, defections, betrayals. Their managers, once initiated into business, had withdrawn “to set up on their own as bosses and bourgeois.” Elsewhere, it was the associates who had demanded the sharing of the products. Of several hundred workers’ associations created in 1848, nine years later there were only twenty.

To the narrow and particularist mentality that he denounces, Proudhon opposed a conception of “universal” and “synthetic” self-management. For the task of the future was much more than “the grouping of a few hundred workers into societies”, it was nothing less than “the economic reconstruction of a nation of 36 million souls.” Future workers’ associations should, “instead of acting for the benefit of a few,” work for all. Self-management therefore requires “a certain education” of the self-managers. “You are not born an associate, you become one.” The most difficult task of associations was “to civilise the associates.” What they lacked was “men from the working masses who had learned in the schools of the exploiters to do without them.” It was less a question of forming a “mass of capital” than a “resource of men.”⁴²

Who owns the enterprises?

On the legal plane, Proudhon had initially considered entrusting workers’ associations with the ownership of their enterprises. Later he would reject this initial conception and distinguish (in a posthumous writing⁴³) between property and possession. Property is absolutist, aristocratic, feudal, despotic; possession is democratic, republican, egalitarian: it consists of the usufructuary enjoyment of an inalienable and non-transferable concession. Producers would be entrusted with their instruments of production. They would not be their owners. This “superior formula” of possession would combine all the advantages of property and association, without any of their disadvantages. What would succeed property would be a federative co-ownership assigned, certainly

³⁹ *Carnet* n° 10 (unpublished), p. 194.

⁴⁰ *Carnets*, t. 3, pp. 138, 274; t. 4, pp. 17, 90, 232, 283, 360.

⁴¹ *Carnet* n° 10, p. 460.

⁴² Series of quotes taken from the *Manuel du Spéculateur à la Bourse*, 3rd ed., 1857, “Conclusion”.

⁴³ *Théorie de la propriété*, *passim*.

not to a State, but to all the producers united in a vast agricultural and industrial federation. The economic federation would provide “counter-balance” to the State, a State no longer wiped off the Proudhonian map, for once, but regenerated from top to bottom.

And Proudhon gets excited about the future of self-management thus revised and corrected: “It is not a vain rhetoric that states it, it is economic and social necessity: the moment approaches when we will only be able to progress under new conditions (...) Classes (...) must be resolved into one and the same association of producers.”⁴⁴

Exchange on what basis?

On what basis should exchanges between the various workers’ associations be undertaken? Proudhon, at first, argued that the exchange value of all commodities could be measured by the amount of labour required to produce them.⁴⁵ The various productive associations would sell their products at cost price. Workers paid in “labour notes” would buy the goods at the estimated cost price in hours of work from exchange outlets or social stores. Larger exchanges would be carried out through a clearing house or Bank of the People, which would accept the labour notes as payment. This Bank would also act as a credit institution. It would lend to productive workers’ associations the sum necessary for their smooth running. These loans would be granted without interest.

This conception called *mutualism* was somewhat utopian, and in any case difficult to implement in a capitalist regime. The Bank of the People, founded by Proudhon at the beginning of 1849, managed to obtain some 20,000 members in six weeks but its existence was short. Certainly, as we have seen, the meteoric rise of Prince-President Louis Bonaparte had something to do with it. It was, furthermore, chimerical to believe that mutualism would spread like wildfire, to exclaim like the Proudhon of the time: “It was truly the new world, the promised society⁴⁶ which, grafting itself onto the old one, transformed it little by little!” Pierre Haubtmann was right, it seems, to stress in his principal thesis the illusory character of this mutualism of the years 1846–1848. But he may have burdened Proudhon a little too heavily, by the insistence with which he evokes his youthful sins, which were to be quickly amended by more concrete and more positive views on workers’ self-management.

As for remuneration based on the evaluation of working hours, it was, in various ways, questionable. Around 1880, the “libertarian communists” of the school of Kropotkin, Malatesta, élisée Reclus, Carlo Cafiero, etc., will not fail to criticise it. First of all, it was unfair in their eyes. “Three hours of Peter’s work,” Cafiero objected, “can often be worth five hours of Paul’s work.”⁴⁷ Other factors than just duration come into play in determining the value of work: intensity, professional and intellectual training, etc. Account should also be taken of the worker’s family responsibilities.

⁴⁴ *Ibid.*

⁴⁵ Guérin here repeats the very common, but in correct, notion that Proudhon advocated “labour-notes” (pricing by time) as first asserted by Marx in *The Poverty of Philosophy*. In fact, he urged the expansion of “bills of exchange” (denominated in Francs) and workers’ associations as the means by which workers would secure their full product as income. See Iain McKay, “Proudhon’s Constituted Value and the Myth of Labour Notes,” *Anarchist Studies* 25: 1 (Summer 2017). (Translator)

⁴⁶ Promise: Promised land.

⁴⁷ Carlo Cafiero, “Anarchy and Communism”, *A Libertarian Reader* (Active Distribution, 2023) I: 248. This speech originally appeared in *Le Révolté*, 13 and 27 November 1880. (Translator)

The same objections are found in the *Critique of the Gotha Programme* written by Karl Marx in 1875, but suppressed by German social-democracy until 1891 and which the “libertarian communists” of the 1880s were therefore unaware of when they argued against Proudhon.

Furthermore, the Kropotkin school maintains that the worker remains, in a collectivist regime, a wage-earner, a slave of the community that buys and monitors his labour-power. Remuneration proportional to the hours worked by each person cannot be, we are told, an ideal, at most a temporary stopgap. We should do away with a morality drawn from accounting books, with the philosophy of “credit and debt.” This form of remuneration proceeds from a mitigated individualism in contradiction with the collective ownership of the means of production. It would be incapable of bringing about a profound and revolutionary transformation of man. It would be incompatible with “anarchy”. A new form of possession would require a new form of remuneration. The services rendered to society would not be assessable in monetary units. Needs should be placed above services. All products created by the work of all should belong to all and each should freely take his share. To each according to his needs, such should be the motto of “libertarian communism”.⁴⁸

But Malatesta, Kropotkin and their friends seem to have ignored that Proudhon himself had anticipated, at least in part, their objections and, eventually, revised his initial conception. The *Theory of Property*, published after his death, explained that it was only in his *First Memoir*, that of 1840⁴⁹, that he had advocated equal pay for equal work: “I had forgotten to say two things: first, that work is measured by its duration and intensity; second, that the wage of the worker should not include either the amortisation of his education expenses and the work he has invested in himself as an unpaid apprentice, nor the insurance premium against the risks he runs, which are far from being the same every profession.” Proudhon would claim to have “remedied” this “oversight” in his subsequent writings, where he compensates for unequal costs and risks through cooperative mutual insurance societies.⁵⁰

Let us note here that Proudhon does not consider the remuneration of the members of the workers’ association as a “wage”. but rather as a *distribution of profits*, freely decided between the associated and co-responsible workers. Otherwise, we would not be released from wage-labour and self-management would be emptied of all content.

The “libertarian communists” of the 1880s also believed they had to criticise Proudhon’s mutualism and Bakunin’s more consistent collectivism for not wanting to prejudge the form that the remuneration of work would take under a socialist regime. These critics seemed to lose sight of the fact that the two founders of anarchism were precisely concerned not to prematurely lock society into rigid frameworks. They wanted, on this point, to reserve the greatest latitude for the workers’ associations. For Bakunin, collectivism has to be put into practice “in various forms and conditions, which will be determined in each locality, in each region and in each commune by the degree of civilisation and by the populations’ will.”⁵¹

⁴⁸ Malatesta, *Programme et organisation de l’Association internationale des travailleurs*, Florence, 1884; Kropotkin, *La Conquête du pain*, 1892, *passim*; the same, *L’Anarchie, sa philosophie, son idéal*, 1896, pp. 27–28, 31; the same, *La Science moderne et l’anarchie*, 1913, pp. 82–83, 103. [Malatesta, “Program and Organization of the International Working Men’s Association”, *The Method of Freedom: An Errico Malatesta Reader* (AK Press, 2014); Kropotkin, *The Conquest of Bread* (AK Press, 2024); *Anarchism: Its Philosophy and Ideal* (Freedom Press, 1887); *Modern Science and Anarchy* (AK Press, 2018)]

⁴⁹ Proudhon’s *First Memoir* on property is better known as *What is Property?* (Translator)

⁵⁰ *Théorie de la propriété*, p. 22.

⁵¹ Bakounine, *Œuvres*, éd. Stock, t. VI, p. 401.

But the justification for this flexibility, this rejection of hasty solutions, was provided by the “libertarian communists” of 1880 themselves, against their impatient anticipations, when they agreed and stressed that, in their choice of ideal regime, “work would produce much more than is needed for all.” It is only when the age of abundance opens that “bourgeois” norms of remuneration could give way to specifically “communist” norms. But *not before*.⁵²

Writing, in 1884, the Programme of an anarchist international, which was still in limbo, Malatesta agreed that communism would be immediately feasible only in very limited sectors and that, “for the rest”, it should accept “on a transitional basis” collectivism. “Communism, to be achievable, requires a great moral development in the members of a society, an elevated and profound sense of solidarity that the revolutionary impulse may not be enough to produce, especially since, in the beginning, the material conditions favouring such a development will be lacking.”⁵³

After Malatesta, the anarchist Fernand Pelloutier, who became a revolutionary syndicalist, would be even more categorical: “Nobody believes (...) that the next revolution will achieve pure anarchic communism. By the fact it will doubtless break out before anarchist education is completed, men will not be mature enough to be able to organise themselves definitely. We must take men as they are, as the old society will bequeath to us.”⁵⁴

The pros and cons of competition

Amongst the norms inherited from the bourgeois economy, there is one whose preservation in a collectivist or self-managed economy raises thorny problems, namely competition. Just as in Proudhon’s eyes individual ownership of the products of labour is for the producer a guarantee of his personal independence, competition, he says, is “the expression of social spontaneity”, the guarantee of the “freedom” of associations. In addition, it constitutes, for a long time to come, an irreplaceable stimulant, without which an “immense relaxation will succeed the ardent tension of industry (...)”. “Remove competition (...), society, deprived of motive force, stops like a pendulum whose spring is slackened.”⁵⁵ And Proudhon proposed practical guidelines: “With respect to society, the workers’ company undertakes to always supply at the price closest to the cost price the products and services that are requested of it (...). To this end, the workers’ company prohibits any [monopolistic] coalition, submits to the law of competition, holds its books and records at the disposition of society which retains, as a sanction of its right of control, the ability of dissolving it.”⁵⁶ “Competition and association rely upon each other (...). The most deplorable error of socialism is to have regarded it [competition] as the overturning of society. It cannot (...) be (...) a question of destroying competition (...). It is a question of finding its equilibrium, I would willingly say its police.”⁵⁷

This attachment to the principle of competition earned Proudhon the sarcasm of Louis Blanc: “We cannot understand those who have imagined some mysterious coupling of the two oppos-

⁵² Cf. Marx, *Lettre sur le Programme de Gotha*, cit.; Lénine, *L’état et la Révolution*. [Marx, *Critique of the Gotha Programme*; Lenin, *The State and Revolution*]

⁵³ Malatesta, cit. [Malatesta, “Program and Organization of the International Working Men’s Association”, 47]

⁵⁴ Fernand Pelloutier, “L’anarchisme et les syndicats ouvriers”, *Les Temps nouveaux*, 2–8 November 1895.

⁵⁵ *Philosophie de la misère*, I, pp. 182, 217. [“System of Economic Contradictions”, *Property is Theft!*, 206, 196–7; *Les Confessions d’un révolutionnaire* (Garnier: Paris, 1851), 248]

⁵⁶ *Idée générale...*, p. 281. [“General Idea of the Revolution”, 585]

⁵⁷ *Philosophie de la misère*, I, 218. [“System of Economic Contradictions”, 203]

ing principles. Grafting association onto competition is a poor idea: it is replacing eunuchs with hermaphrodites.”⁵⁸ Louis Blanc wanted to “arrive at a uniform price” fixed by the State and prevent any competition between workshops of the same industry. Proudhon retorted that price “is only regulated by competition, that is to say by the ability of the consumer to do without the services of the one who overcharges them.”⁵⁹

Proudhon, of course, does not hide from himself the evils of competition, which he has, moreover, described in superabundant detail in his *Philosophie de la misère*. He knows that it is a source of inequality. He admits that “in competition, victory is assured to the largest battalions.” As long as it is “anarchic” (in the pejorative sense of the term), as long as it is exercised only for the benefit of private interests, it necessarily engenders civil war, and, ultimately, oligarchy. “Competition kills competition.”⁶⁰

But, in Proudhon’s opinion, the absence of competition would be no less pernicious. He cited the example of the tobacco board. This monopoly, by the very fact it is exempt from competition, is too expensive a service, its productivity is insufficient. If all industries were subject to such a regime, the nation, he said, could no longer balance its revenues and expenses.

But competition as dreamt of by Proudhon is not the competition left to itself of the capitalist economy, but a competition endowed with a higher principle which “socialises” it, a competition which would operate on the basis of a fair exchange, in a spirit of solidarity, a competition which, while safeguarding individual initiative, would bring back to the collectivity the wealth which capitalist appropriation currently diverts from it.⁶¹

Obviously, there is an element of utopia in this conception. Competition, the so-called market economy inevitably produce inequality and exploitation, even if one could start from a situation of perfect equality.⁶² In conclusion, it seems that competition can only be coupled with workers’ self-management on a temporary basis, as a necessary lesser evil, while waiting for:

1) that a mentality of “sincerity of exchange”, as Proudhon said⁶³, has developed amongst the self-managers;

2) and, above all, that society has passed from the stage of scarcity to that of abundance, at which point competition would lose its *raison d’être*.

But in this transitional period it seems desirable that competition should be limited, as has been attempted, at present, in Yugoslavia, to the sphere of the means of consumption, where it has, at least, the advantage of defending the interests of the consumer.⁶⁴

However, competition in that country has too often led to excesses and irrationalities that authoritarian opponents of the market economy like to denounce. Useful both as a stimulant to the spirit of enterprise and as a means of combating the high cost of living, it has too often fostered amongst Yugoslav self-managers a selfish and quasi-capitalist mentality, from which concern for the general interest was absent. It should be noted that workers’ self-management in Yugoslavia has been criticised by the Cubans and the Chinese, precisely because of its inability to reconcile competition and socialism.

⁵⁸ *Ibid.*, 210.

⁵⁹ *Ibid.*

⁶⁰ *Ibid.*, pp. 195, 209. [“System of Economic Contradictions”, 204, 200]

⁶¹ *Ibid.*, p. 186.

⁶² *Ibid.*, pp. 209, 218.

⁶³ *Ibid.*, t. II, p. 414.

⁶⁴ Albert Meister, *Socialisme et autogestion, l’expérience yougoslave*, 1964, p. 334.

Long before today's "authoritarians" denounced the coupling of self-management and competition, the "libertarian communists" of the 1880s had attacked a collectivist economy of the Proudhonian type, based on the principle of struggle, where it would only restore equality amongst the competitors at the beginning. Competitive struggle would necessarily involve winners and losers; the exchange of products would end up being done according to the principle of supply and demand, "which would be to fall into competition, into the bourgeois world." This language is very similar to that used against the Yugoslav experience by some of its detractors in the communist world: they believed that they had to blame self-management for the hostility that the competitive market economy inspires in them. This was the case, for example, of "Che" Guevara who was wary of self-management because he saw it as synonymous with competition.⁶⁵

A unitary socialisation

The thorny problem of the relationship between self-management and competition is still far from being resolved. We will leave it to professional economists to debate this issue and to practical experience on the ground to draw conclusions.

Proudhon, to return to him, sees full well that management by workers' associations can only be unitary. He insists on the "need for centralisation and unity." He asks the question: "Do not workers' companies for the exploitation of large industries express unity?" "What we put in place of government is industrial organisation. What we put in place of political centralisation is economic centralisation." Self-management is for Proudhon society finally "living, organised", "the highest degree of freedom and order that humanity can achieve." And, in a beautiful flight of fancy, he exclaims: "Here we are free, freed from our embryonic shell. All relations are turned upside down. We are changing our existence. Such is the Revolution in the 19th century."⁶⁶

Nevertheless, Proudhon, despite his concern for unity, fears authoritarian planning (and this is why he instinctively prefers competition inspired by solidarity). But anarchism has since become, in a more consistent way, the advocate of democratic and libertarian planning, developed from the bottom-up, by the federation of self-managed enterprises.

This is the way Bakunin foresaw the prospects for planning on a global scale that are open to self-management: "Workers' cooperative associations are a new fact in history; we are witnessing their birth today, and we can only foresee, but not determine at this time, the immense expansion that they will undoubtedly take and the new political and social conditions that will arise from them in the future. It is possible and even very probable that, one day going beyond the limits of communes, provinces and even present States, they will give a new constitution to the whole of human society, divided no longer into nations but into industrial groups." Thus they will form "an immense economic federation", with, at the summit, a supreme assembly. In the light of "the data, as broad as precise and detailed, of world statistics", they will combine supply with demand to steer, determine and distribute between different countries the production of world industry, so that there will be no more, or almost no more, commercial or industrial crises, forced stagnation, disasters, no more sorrows or wasted capital."⁶⁷

⁶⁵ Cf. on this subject Ernest Germain (Ernest Mandel), "La loi de la valeur, l'autogestion et les investissements dans l'économie des états ouvriers", *Quatrième Internationale*, February-March 1964.

⁶⁶ *Idée générale...*, pp. 202–203, 301–302, 342, 369, 420, 428. ["General Idea of the Revolution", 591–2]

⁶⁷ « Programme de la Fraternité révolutionnaire », cit.

A socialist sector and a private sector

The Proudhonian conception of management by workers' associations contains a serious ambiguity. It is not always specified whether self-management groups would remain in competition with capitalist enterprises, in brief if, as was said around 1963 in Algeria, the socialist sector would coexist with a private sector or whether, on the contrary, production as a whole would be socialised and placed under self-management.

Bakunin, unlike his master Proudhon, whose thinking is still hesitant on this point, is a consistent collectivist. He clearly sees the dangers of a coexistence of the two sectors. The workers, even associated, cannot form funds capable of fighting against the great bourgeois funds. And, on the other hand, there is a danger that within the workers' associations themselves there will arise, through the contagion of the capitalist environment, "a new class of exploiters of the labours of the proletariat", which, moreover, Proudhon himself has foreseen.

Self-management contains within itself all the seeds of the economic emancipation of the working masses, but it will only be able to really grow these seeds, Bakunin asserts, when "capital, industrial establishments, raw materials and instruments of work (...) become the collective property of the productive workers' associations, both industrial and agricultural, freely organised and federated amongst themselves." "Social transformation can only be carried out in a radical and definitive way by means that act upon the whole of society", that is to say, by a social revolution transforming individual property into collective property. In such a social organisation, the workers would be collectively their own capitalists, their own bosses. Only "things that really serve personal use" would remain individual property.⁶⁸

Until the social revolution is accomplished, Bakunin, while admitting that cooperatives for production have the advantage of accustoming workers to organise themselves, to run their own affairs, and that they create the first seeds of collective workers' action, considers that these islands in the midst of capitalist society can have only limited effectiveness.⁶⁹ This is the opposite position to that of Proudhon who, having deluded himself about the rapid absorption of the capitalist economy by workers' self-management, underestimates the importance of labour unionism and gives too little consideration to the right to strike.⁷⁰

Conclusions

In conclusion, Proudhon's views on self-management do not, of course, form a perfectly adjusted, homogeneous body of doctrine, free of all hesitation and ambiguity. Far from it. Contradictions abound.

There is a mutualist Proudhon who defends, exalts, tries to preserve the small independent producer from the relentless wheel of progress, and there is a resolutely collectivist Proudhon who does not hesitate to march with his time, with technical progress, with machinery, with large-scale industry.

⁶⁸ Bakounine, *Œuvres*, éd. Stock, t. V, pp. 216–218. *Œuvres complètes*, I, 2e partie, article in *Al Rubicone* du 3 January 1872.

⁶⁹ *Ibid.*, t. I, 2e partie, p. 73.

⁷⁰ Georges Gurvitch, *Proudhon et Marx : une confrontation*, 1964, p. 113.

There is an optimistic Proudhon who, in 1848, showers flowers upon the spontaneously born workers' associations, and there is a pessimistic Proudhon who, a few years later, will severely assess their failure.

There is a fanciful Proudhon who imagines mutualism capable of partial application within the capitalist regime itself and who persuades himself that the socialist sector, through its own dynamism, would spread like wildfire, and there is a much more realistic and reticent Proudhon on this point.

There is, as regards the legal regime of property in self-management, a disintegrationist Proudhon who, initially, envisages entrusting it to the workers' associations themselves, according to the principle: "the factory to the workers", and there is an integrationist Proudhon who, later, will prefer to hand it over to all producers, united in a vast agricultural and industrial federation.

There is a simplistic Proudhon, who proposes a very questionable definition of the value of labour, and there is a more subtle Proudhon who then admits that the duration of work cannot be the only basis of calculation and who strives to repair what he calls his "oversights".

There is a Proudhon who puts private property on trial, and there is a Proudhon who exalts it, just as there is a Proudhon who celebrates the virtues of competition and a Proudhon who insists on its evils. He only very rarely manages to make a true synthesis of contradictory notions, and that is why he only claims to *balance* the *antinomies*.

There is a decentralising and federalist Proudhon, who is wary of all planning, for fear of resurrecting authority, and there is a Proudhon who does not hesitate to advocate economic centralisation, who emphasises the unitary character of production.

There is a Proudhon who, by affirming the capacity of the working class and the duty it has to radically separate itself from bourgeois institutions, opens the way to modern worker syndicalism, and there is a Proudhon who underestimates struggles for demands, because he privileges the formation of productive workers' co-operatives. When he alludes to a "vast agricultural and industrial federation", he refrains from further exploring this notion, which, in his writings, remains inarticulate and vague.

There is a Proudhon who, in the first part of his career, is only concerned with *economic* organisation, who is wary of everything that touches on *politics*, and there is a second Proudhon who will cease to neglect the problem of territorial administration, who will base it upon the autonomous commune, without however linking in a sufficiently precise and coherent way the communal power, on the one hand, to the workers' associations for production, on the other.

Finally, there is a Proudhon who categorically rejects any form of State – to the point of refusing all funding of workers' associations by a socialising State – and there is also a Proudhon, who has become more federalist than anarchist, who seems to reckon with the State.

These are, briefly recalled, some of the shortcomings and deficiencies of Proudhonian thought with regard to workers' self-management.

But, alongside these weaknesses, what lucid views, what prophetic anticipations. The reader of Proudhon, if he is aware of the concrete problems that have been posed, in our day, by the attempts to put self-management into practice, can draw usefully from his writings.

Learning self-management

Almost all the difficulties that form the drama of contemporary self-management are foreshadowed, described, in Proudhon's work; they are the subject of prophetic warnings: whether it is a question of the incompatibility of the all-pervasive State and free self-management, whether it is question of the shortage of men prepared for self-management, of the lack of technical managers, whether it is a question, at least for a transitional period, of a market economy involving a certain degree of competition, whether, finally, it is recognised that it is impossible to establish, prematurely, a complete communism, which would only be practicable on the day when abundance reigned and the consumer would only have to "take from the pile" – on all these points, Proudhon illuminates the future with a powerful spotlight.

But, even where he hesitates, where he contradicts himself, where he corrects himself, he gives his reader a highly valuable lesson in relativism. It is exciting to see the flowering of a creative mind always in motion, constantly searching, never fixed or dogmatic, tumultuous certainly, sometimes letting itself be carried away by witticism, improvisation, thoughtlessness, but capable of correcting itself, of revising itself, of accepting the education of events, of evolving in the light of experience.

Besides, Proudhon has excuses; the first: he explores, by laying the foundations of workers' self-management, a *terra ignota*, a domain so new and so virgin that no one can yet serve as his guide; the second: the contradiction is less in his thought than in the actual object that it reflects. Workers' self-management, in effect, is contradictory by its very nature. It is condemned to oscillate between two poles: on the one hand, the autonomy of productive groups, necessary for each of them to feel truly free and "de-alienated"; on the other hand, the need for co-ordination in order to make the general interest prevail over selfish interests.

Who the devil could assume this coordination? Invoking Satan here is not an exaggeration, for the problem is diabolically difficult. If there is no co-ordinating body that is autonomous, that is to say, emanating from the workers, and from them alone, it is inevitably the authoritarian State that will arrogate this role to itself. A State that, by force of circumstances, will think above all of perpetuating itself, of extending its functions ever further, of encroaching upon all autonomies, of curtailing all freedoms, of maintaining wage-labour. In libertarian Spain of 1936, co-ordination had been ensured by a long-established and powerfully organised anarcho-syndicalism. Forty years of Francoism have not clipped its wings and, to everyone's astonishment, this phoenix is rising from the ashes. But elsewhere than in the Iberian Peninsula, labour unionism is suffering from a mortal illness, recuperated by a capitalism for which it serves, vis-à-vis the proletariat, as a transmission belt, degenerated, bureaucratised, integrated, institutionalised, incapable of promoting a social revolution and co-ordinating socialist self-management. Also, the youth who turn away from it sometimes transfer their hopes to *workers' councils* and to what they call, with a term that is too vague, *workers' autonomy*. But this new concept is only embryonic and self-management has yet to discover, under penalty of failure, the means of its dispensable co-ordination.

In the final analysis, the deepest contradiction that is tearing workers' self-management apart has its source in the historical delay in the formation of the proletariat. The capitalist regime, as

well as the exclusively [immediate] demand-based trade unionism which is its corollary, have not prepared workers, or have prepared them very badly, for their future self-management role.

For a whole period, they were therefore obliged to seek outside expertise, technical staff, accountants, etc. Where, as was the case in Algeria, these staff barely existed, the functioning of self-management was seriously hampered: in 1963, Algerian self-management would have needed 200,000 accountants, while the government of the country planned for annual accelerated training of only 20,000. But another danger, where these skills existed, at least partially, their intrusion from outside risks subordinating self-management. "Supervisory bodies", under the guise of providing self-managers with disinterested technical and accountant assistance, tend to replace them and become, in their place, managers.

These serious drawbacks can only be eliminated on the day when the fusion "of science with the working class" dreamt of by Ferdinand Lassalle and, after him, Rosa Luxemburg, will allow the abolition of these tutelages. As the masses become educated, the social base upon which the mentors were based will vanish. They will no longer be anything but the "executive organs", constantly controllable and revocable, of the "conscious action" of the workers.⁷¹

Socialism is destined to remain an empty word, a demagogic and hollow option, as long as workers are not able to manage production themselves, as long as they are subjected, or allow themselves to be subjected, to a parasitic bureaucracy imitating the bosses to whose succession it aspires.

Learning self-management will be somewhat long and laborious. But, despite its slowness and its difficulties, even if it must burden society with additional costs, even if it can only be achieved at the cost of a certain number of errors, of disorders, not to say half-failures, or even, sometimes, total failures, these difficulties, these delays, these additional costs, these problems of development would perhaps, in the end, be less harmful than the false order, the false "efficiency" of state management which crushes man, kills popular initiative, paralyses production, compromises economic efficiency, is hardly distinguishable from wage-labour, does not "de-alienate" the worker and, finally, empties the very notion of socialism of its content.

At the end of this learning, self-management is, in some way, condemned to succeed. Because, if it were not so, socialism would have failed in its historical mission. As Proudhon observed: "The entire future of the workers depends on the answer that will be given (...) if this answer is affirmative, a new world opens up to humanity. If it is negative, the proletariat can take it as settled (...): there is no hope for it in this sad world "⁷²

⁷¹ Rosa Luxemburg, « Masse et chefs » (in German "Disappointed Hopes") *Neue Zeit*, No. 2, 1903–1904, French translation in *Marxisme contre dictature*, 1940, pp. 36–37.

⁷² *Manuel du Spéculateur...*, cit.

The Anarchist Library
Anti-Copyright



Daniel Guérin
Proudhon, Father of Self-Management
1978

Retrieved on 2026-07-25 from anarchistfaq.org
Proudhon oui et non (Paris: Editions Gallimard, 1978)

theanarchistlibrary.org