

# **Federalism, Socialism, Antidemagogism**

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The concept of self-management is in itself rather confusing. Outside the libertarian<sup>1</sup> movement, the term is usually interpreted simply in the sense of separate management of factories by collectives of workers. This conception makes the social economy a fragmentation of production units that are autonomous from each other and possibly in competition with each other.

Authors who insist on the term self-management often stop at the idea that the relationships of work, hierarchy, etc., within enterprises are not neutral and that they are indicative of the nature of the overall system in which we find ourselves. In this we are in full agreement. They also try to demonstrate by as many examples as possible that workers, collectively, are capable of managing companies. On the first point, history has sufficiently demonstrated that workers are capable of organising production in a company, but it seems more important to insist on their capacity to organise society as a whole.

Limited to the management of the enterprise, self-management is not socialist if we understand socialism to mean the abolition of private ownership of the means of production, of wage labour and of the market economy and the collective determination of the orientations of society.

## **Fragmented Self-Management**

Self-management limited to the management of the enterprise by the workers implies that the latter organise their work entirely autonomously, but also that they determine autonomously, at the level of their production unit, the allocation of surplus product, the allocation of income, investments, etc.

But if such a situation can give workers the illusion of holding decision-making power, it does not transform capitalist relations of production. We will simply have a capitalism where companies will have a somewhat particular mode of management, but where all the mechanisms of capitalism will be maintained, in particular the market economy and wage labour.

Market economy means that investments will be allocated to sectors with high and fast profitability, to the detriment of socially useful but unprofitable sectors. The fact that companies are self-managed, if the foundations of capitalism are maintained – the market economy and wage-system – will not prevent these companies from prioritising investment in sectors where they will maximise their profits, regardless of social needs.

If each company, after the usual tax, wage and social deductions, retains the disposal of the surplus product, we find ourselves in the same situation as the individual entrepreneur who will try to implement all the proven methods to increase profits and eliminate competition.

Competition between companies will divide the workers, because fragmented self-management, which is only a development of the cooperative system in a market economy, places the workers in front of the usual choices of any capitalist management: rationalise, accelerate the rhythm of production to face up to competition, lay off; eventually, the workers will be able to democratically grant themselves sub-wages. This amounts to self-management of one's own exploitation.

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<sup>1</sup> I use the word “libertarian” in its normal, legitimate sense, as a synonym for “anarchist” and not in the sense of the word as it has been unduly appropriated by extreme right-wing authors. The paradox is that the word “libertarian” was coined in 1857 by the French anarchist Joseph Déjacque (1821–1864) as opposed to “liberal”. Déjacque was then in exile in New Orleans.

Already, within today's capitalist society, there are "self-managed" enterprises – the workers' production cooperatives. No matter how exemplary their internal functioning, they bend themselves to the laws of the market. This is a necessity. In order to survive, they are obliged to be created in sectors where it is possible to make a profit, because it is a characteristic of capitalism that the criterion that determines the creation of an enterprise is the making of a profit. Consequently, whether it is cooperatives in today's capitalism, or self-management in a pseudo-socialism of enterprises, the criterion for determining investments will be profitability, not social utility.

For example; it is true that today there are "wild", "parental" or "autonomous" crèches, which survive only through the voluntary financial contributions of parents and through voluntary work, or sometimes through subsidies. But it is significant that for capitalism, such initiatives are economically parasitic. The same could be said for squats, which could be defined as autonomous initiatives to occupy empty buildings, and thus exempt the political authorities from building social housing.

In the case of the autonomous crèche, parents pay twice: once through their voluntary contribution; and again through income taxes, part of which is allocated to the creation and management of crèches (among other things).

In a system of fragmented self-management, where production is regulated by the laws of the market, the problem of non-productive social investments remains. Who will determine their allocation and how? This brings us back to the problem of the state, an independent central authority where, by nature, the question of self-management does not arise. Divided up into self-managed enterprises that compete with each other, the working class would leave the administration of unprofitable but socially useful sectors to a central power that would manage the allocation of the social surplus on its behalf.

Now, libertarian socialism is distinguished precisely by the fact that it advocates the management of the social surplus product by the working class, or in a general way by the associated working population, which means, in simpler terms, the destruction of the state.

## **Taking Power Back From the Machines**

In the strategy of libertarian socialism, the forms of collective management at the grassroots level – the enterprise – are important but they are only one element of a global project, and have no meaning in themselves.

Contrary to Lenin, who developed a boundless admiration for the forms of production of developed industrial capitalism (Taylorism, assembly line work, etc.) and who intended to make the Soviet economy adopt these forms, we think that they should be destroyed and alternative forms proposed, because the very forms of work in the capitalist regime are inseparable elements of the condition of the exploited. The way work is organised can also be a form of oppression.

“Learning to work is the task that the power of the soviets must pose to the people in its entirety. The last word of capitalism in this respect, the Taylor system, combines, as do all the advances of capitalism, the refined cruelty of bourgeois exploitation with the most valuable scientific conquests concerning the analysis of mechanical movements in work, the suppression of superfluous and unskillful movements, the

elaboration of the most rational methods of work, the introduction of the best systems of registration and control, etc. The Soviet Republic must make its own, at all costs, these most valuable achievements of science and technology in this field. We shall be able to achieve socialism precisely to the extent that we succeed in combining soviet power and the soviet system of management with the latest advances in capitalism. It is necessary to organise in Russia the study and teaching of the Taylor system<sup>2</sup>...”.

This text is characteristic of the distance existing between the level of consciousness of the Bolsheviks and that of the European workers’ movement of the time<sup>3</sup>. On 5 December 1912 a strike broke out in Paris in the Renault factories against the methods of rationalising work, and particularly timekeeping. If he had known about it, Lenin would probably have called it counter-revolutionary...

It is moreover significant that while Lenin was making the apology of Taylorism, Merrheim, a revolutionary syndicalist, published in numbers 108 and 109–110 of *La Vie ouvrière*<sup>4</sup> an extremely critical study on the application of this same system, where he concluded:

“In the employers’ apprenticeship schools (...) specialists will be trained without initiative, without will, without conscience, without dignity, following the leader like a dog follows its master, demanding that it does not leave its heels for a moment. Only one power will be capable of curbing the abuses and ferocity of this exploitation: the powerful workers’ organisation, capable at any moment of confronting the capitalist demands.”

Merrheim is not making a “reactionary”, backward-looking critique of the Taylor system, as skilled craftsmen crushed by modern methods of production would do (an argument often used by Marxists to “demonstrate” that syndicalism is the past and Marxism the future). Merrheim knows that Taylorism is inevitable. “It is necessary,” he says, “for the workers to get a firm grip on this idea that we have arrived at a stage of industrial evolution which requires new methods of production and work.”

But he also says that in Taylor’s methods, the employers “have taken and will take more and more everything that is odious, brutal and savage in them”. It seems difficult to express more clearly the gap between Leninism and syndicalism.

## **Libertarian Federalism**

The libertarian project implies a vision that goes far beyond the framework of the enterprise, of the locality. To emphasise only the local problems of “self-management” is in fact to remove its political dimension, and such an attitude is not innocent.

In a society where economic relations are extremely complex, many decisions cannot be taken at the level of a single production unit or a single town. This is precisely where lie the most

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<sup>2</sup> Lenin, « Les tâches immédiates du pouvoir des soviets », 1918 (The immediate tasks of soviet power).

<sup>3</sup> Even taking into account the state of Russian society at the time. Moreover, contrary to popular belief, Russian industry was a recent, highly concentrated industry.

<sup>4</sup> *La Vie ouvrière* was a weekly illustrated syndicalist magazine close to the CGT, created in 1909 by revolutionary syndicalists among whom was Pierre Monatte.

important political differences between anarchism and those who discovered self-management in 1968.

For in the end, it doesn't matter what the details of how one particular factory is run. The workers of this factory will handle themselves and we can trust them. On the other hand, it is much more interesting to know if, in the hypothesis of a serious revolutionary crisis, the workers will be able to take over, quickly and in a coordinated way, the whole of production and services after having expropriated the bosses and the state, avoiding the mess resulting from the absence of programme of the Bolsheviks at the beginning the Russian revolution.

How to "self-manage" the railways? The production of energy? The postal services? The distribution of water? These are sectors of activity that affect not only local workers or the local population, but the whole economy of a country. And workers employed in services of national importance are at least as numerous as those employed in sectors of local importance.

It is obviously unthinkable that there is no overall coordination of these activities. This coordination, which makes it possible to link local and global self-government, is called federalism.

"Federalism has been constitutive of anarchism since the period of the International Workers' Association, as anarchism asserts itself through its critique of centralism and its celebration of autonomy", says the Swiss historian Marianne Enckell<sup>5</sup>. But she adds that "it is federalism that is the antonym of centralisation, not decentralisation"<sup>6</sup>.

There is a tendency to oppose centralisation and bureaucratisation with decentralisation. This is partly a false problem. Referring to Switzerland, Bakunin said that economic centralisation "is one of the essential conditions for the development of wealth, and this centralisation would have been impossible if the political autonomy of the cantons had not been abolished."<sup>7</sup> But he adds that "centralisation must be carried out from the bottom up, from the circumference to the centre, and that all functions must be independent and govern themselves". In short, a distinction must be made between the decision-making process and the execution process: "Economic centralisation, an essential condition of civilisation, creates freedom; but political centralisation kills it, by destroying, for the benefit of the rulers, the life and spontaneous action of the people."<sup>8</sup>

Federalism makes it possible to overcome the false alternative of centralisation and decentralisation. The decision-making process is rather a political one, and its elaboration must proceed "from the bottom up, from the circumference to the centre", i.e. it must be decentralised.

The execution process is only the result of the decision process, it is the implementation of the decisions, it has a functional aspect and can only be centralised or, for those who do not like the word, must be coordinated in a coherent whole at the level of the global society. The functioning of the railways at the level of a country, or even a continent, cannot be carried out on the basis of autonomous affinity groups.

There are two principles which express the difference between federalism and so-called "democratic centralism".

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<sup>5</sup> Marianne Enckell « Fédéralisme et autonomie chez les anarchistes », Réfractations, n°8, 2002, p. 8.

<sup>6</sup> Cf. Amédée Dunois: "L'anarchisme n'est pas individualiste; il est fédéraliste, "associationniste" au premier chef. On pourrait le définir: le fédéralisme intégral." Anarchisme et syndicalisme. Le congrès anarchiste international d'Amsterdam (1907). Introduction d'Ariane Liéville et Maurizio Antonioli, Nautilus – Editions du Monde libertaire, 1997, p. 157.

<sup>7</sup> Bakunin, Œuvres, édition Champ libre, Champ libre, V, 70.

<sup>8</sup> Ibid, V, 61. See also Proudhon, who speaks of "centralisation of all economic forces; decentralisation of all political functions", Carnet 8, Vol. 4, p. 21 Marcel Rivière 1960.

◆ If we imagine an organisation diagram of the democratic centralism type, all the links are vertical, information can only circulate from the bottom to the top (the top can, possibly, send some of it back down), and initiatives can only be taken with the approval of the top level.

If we take the example of a political organisation operating on the basis of democratic centralism, the party branch in town “A” cannot contact the branch in town “B” without the agreement of the party body above it.

With federalism, information circulates from the bottom to the top, which is the least that can be done, but it also circulates horizontally, i.e. each structure of the organisation can communicate and take initiatives with all the other structures without having to ask permission from the higher level, which is formally forbidden in “democratic” centralism. These horizontal links also ensure that information flows from the top down, that the “top” does not withhold information for its own use, since each instance of the organisation can communicate with the other instances and obtain information.

◆ But there is another principle, just as important, which makes federalism original. This is expressed by Bakunin when he says that “all functions are independent and govern themselves”, which is obviously a reference to Proudhon.

Political decentralisation does not mean the creation of a myriad of independent organisations that would compete or oppose each other, as happened, for example, in the Donetz during the Russian revolution: metallurgical factories and mines denied each other the supply of iron and coal on credit...

This second principle of federalism is that while all the bodies of the organisation are interdependent within the framework of an overall project, the central body does not substitute itself for each of the structures as far as their own problems are concerned. Each part of the organisation is independent within the framework and limits of its functions and powers, but they are also responsible, always within their remit, for the smooth running of the whole.

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Those who insist too much on the concept of self-management might even be a little suspect: as long as the workers’ energy is limited to the sphere of the micro-economy, to the management of their enterprise, they will not be thinking of interfering in the decision-making processes concerning the major orientations of society.

Not that the problem of workers’ management of the enterprise is not important: it simply needs to be given its relative importance. The same applies to the notion of decentralisation, which is presented as the remedy for bureaucracy. On the contrary, decentralisation can be the origin of the creation of multiple local bureaucracies, of disgusting feudalisms<sup>9</sup> based on mafia-like relations between local dignitaries.

Decentralisation is not necessarily the opposite of centralisation, it can be the other side of the same coin, it can be a method of reconstituting a different centralisation of power by decongesting the centre, delegating what it does not want to or does not succeed in controlling.

“This decentralisation has nothing to do with the federalist organisational framework, in which the concept of centre and periphery is outdated, because each point

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<sup>9</sup> Feudalism in the historical sense was created following a “decentralisation”, that which followed the collapse of the Carolingian empire...

is at the centre of the relations which concern it. While in authoritarian decentralisation the centre decides everything it can decide, and it delegates everything that escapes or risks escaping it, in federative decentralisation it is the associative unit that decides on its own everything that is within its competence and with all the other units everything that is of common relevance, according to agreements and temporary or permanent co-ordinating bodies.”<sup>10</sup>

Self-management in the sense of the management of their own existence by the interested parties themselves, is inherent to libertarian federalism.

Libertarian federalism is generalized self-management.

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<sup>10</sup> Amedeo Bertolo, in *Interrogations sur l'autogestion*, Atelier de création libertaire, p. 14.



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Translator unknown. The following text is a slightly modified version of an article published in  
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