

Socialism

Genesis and Development

It is not easy to define socialism. Its definitions are numerous. As an ideology it includes a variety of doctrines such as anarchism, syndicalism, and democratic socialism. There are many types of socialism in terms of their political orientations. Some of them have been authoritarian, others democratic. There have also been many types of socialism in terms of economic organization. Some economies have been highly centralized, while some others completely decentralized. They all stand for equality but differ on the meaning attached to it.

Before defining socialism, it is necessary to see how did it emerge in modern times. It emerged as a reaction to the rise and development of capitalism. Laissez-faire doctrine led to great difficulties in society. By the middle of the nineteenth century, the doctrine had gathered a great following. By then, England had become the first, industrial nation of the world. The prosperity of the Victorian England was there. People were convinced that competition increases efficiency and wealth. They regarded the 'survival of the fittest' as the unquestionable law of nature. But by the end of the nineteenth century, the fallacies of the doctrine became evident. The economic power got concentrated into the hands of a few. The majority lived in conditions of dire poverty. They had no freedom of choice because they were completely dependent on their wages even for bare survival. They were not even in a position to decide what they wanted because they lacked education. It was also realized that there was not much truth in the doctrine of 'harmony of interests'. The industrialist was busy serving his own interest; he did not care much for the interest of the community as a whole. In the medieval world, there was a certain consensus about fair price. But now there could be no such thing as fair price. Prices were

Even the competition did not yield results as expected. It defeated its own purpose. It did increase the efficiency of economic enterprise during the early stages. But very soon as bigger organizations began to monopolise economic power, the smaller organizations were crashed out. We can see the impact of capitalism even in India where most of the economy is in the hands of a few leading industrial houses. Thus, capitalism itself limited the freedom of the entrepreneur.

Capitalism indeed increased the wealth of the nation. It led to unprecedented prosperity in Europe. Real wages went up. But very soon markets were flooded with goods. As the competition increased, the system began to face crises. Production reached a saturation point. People began to apprehend that there might be a situation in which there were all sellers' and no buyers. Cycles of boom and depression, known as trade cycles, became frequent. Unemployment was a common phenomenon. People began to realize why there was so much of poverty in the midst of plenty. Some of these reasons led. Karl Marx to prophesy that capitalism contained within itself seeds of its own destruction. Socialism believed that capitalism is a negation of egalitarianism it is inefficient and disregards justice and happiness.

Characteristics

Socialism means the following inter-connected things:

- (a) An egalitarian society,
- (b) Satisfaction of basic needs,
- (c) Common ownership of vital instruments of production, and
- (d) Ideal of service.

(a) Egalitarian society

Socialism insists on what G.D.H. Cole called human fellowship, which denies or expels distinction of class, caste or colour. It aims at reasonable equality in society so that all are able

to face each other on equal terms. It holds that there can be no genuine liberty without equality. Freedom cannot survive without security.

(b) Satisfaction of basic needs

It flows from the first. Socialists argue that the motive of profit ought to be replaced by the motive of service. Value should be decided by use and not by terms of exchange. What must be distributed depends not on where it will fetch the highest price but where it is most needed. The wealth of the state ought to be so distributed that even the poorest can afford to satisfy his basic needs. We must ensure sufficiency to all before surplus is available to.

(c) Common ownership

Socialism believes in common ownership and control of means of production e.g. land, power and banks. These should be administered in the interest of the whole rather than of the parts. Happiness of all is to be preferred to the happiness of the few. Socialists believe that from economic point of view an industry which is collectively owned will be more efficient and from the moral point of view more satisfying. It believes that inequality of wealth leads to inequality of opportunity. The system of recruitment does not ensure the selection of the best. The children of the rich have opportunities which are often denied to those of the poor who thus start life with initial disadvantage. Such a condition of inequality is dangerous to the stability of the state. Such inequality destroys initiative and is therefore inhuman.

(d) Ideal of Service

Socialism emphasizes the responsibility of all citizens to the common good or general welfare. It protests against the harsh materialism and individualism of classical liberals. A capitalist society produces ugly conditions. It insists on too much specialization. It deprives the artisan of his pride in his work. In the feudal period the craftsman used to make a complete thing all by himself. It used to be a matter of joy for him to find a reflection of his creative endeavours in it. But now man has been reduced to the status of a cog in the machine.

Instead of producing a complete thing, he only produces a small part of it. He may not even know where the part he has produced would fit in. He becomes no more than a link in chain of production. But he is further condemned to live in slums or to be condemned to stand in the market for weeks or months with the hope that his labour will be needed. He feels disgusted under these conditions of modern industry. The worker ceases to be a human being. It is this feature of the capitalist society against which Marx, Ruskin, Morris, Laski and c Gandhi spoke. Gandhi denounced capitalism as immoral because it condones and even glorifies greed and avarice.

The terms Socialism and Communism are often used interchangeably. That is largely because of the power influence of Karl Marx and yet one must distinguish between the two because communism has become distinct ideology with a certain set of mixed doctrines, whereas socialism still remains largely a tendency, a label for a wide variety of doctrines. Communism in a sense is also a variety of socialism. We will discuss it in detail in the next chapter. Suffice is to say that communism, as articulated by Marx, is based on a certain view of what human history will be, whereas socialism is more a moral imperative; it deals with, what it ought to be. Socialists are also aware of the potential within capitalist arrangements towards the greater equality. They all reject the dictum of the 'dictatorship of the proletariat'. For them, the revolution is not inevitable or necessary. Gradualism is the watchword of democratic socialism. Necessary and relevant reforms can be made within the existing democratic framework.

Further, Marxism pinned its faith in a violent revolution. Marx did concede the possibility of a peaceful change in countries like Great Britain. But, on the whole, he thought that, overthrow of the capitalist system would not be possible without violence because no ruling class gives-up power on its own. Democratic socialism, on the other hand, emphasizes peaceful changes through the instrumentality of parliamentary democracy. This naturally implies that both have a different view of the nature and role of state. For Marx the state

was an instrument of domination in the hands of the capitalists. The capitalist class used it to exploit and oppress the masses. On the contrary, socialists regarded it as autonomous of economic forces. They thought that it had enough potential to bring about redistribution of economic and political power in society. The Chartist movement in the mid-nineteenth century Britain and the Guild and Fabian socialists of the early twentieth century, all rejected revolutionary tactics. They opted instead extension of Suffrage (Chartists); protective state (Democratic Socialists); state as an instrument of reform (Fabian Socialism); producer state in which industries governed themselves (Syndicalism); and governance through Trade Union Organizations (Guild Socialism). In India, we were appreciative of socialism soon after we gained Independence. Most of our National leaders like Nehru, Jai Prakash Narayan and Lohia championed the cause of socialism. It was in this context that socialistic pattern of society was declared as one of the goals of planned economy. At that time India tried to combine democracy with Fabian kind of collective controls leading to regulations of imports and exports, Curbs on production of consumer goods and licensing of industrial set-up. Removal of poverty and attainment of economic self-reliance were accepted as the two major task before the Indian state. Nehru tried to promote collective, sector by greater state interference in economic life to mobilize resources and enhance employment opportunities. However, now India is following the goals of globalization, liberalization and privatization.

Steps were also taken to nationalize basic industries like Coal, Steel, Banks and Power. India has also undertaken programmes for public housing, medical care, adult education, land reforms etc. but this socialism was socialistic to the extent that the state redistributed some resources it is not socialistic in the classical sense defined above.

There is a growing realization that some kind of socialism is necessary. But, we have also learnt that mere provision of welfare services and government regulations do not lead to socialism.

Indeed in certain quarters it has led to centralization and bureaucratization. Socialists like Jai Prakash Narayan, Ram Manohar Lohia or Roger Garaudy vehemently pleaded for diffusion of political power and decentralization of economy. Centralized planning creates a uniform system of economic development, which does not fully take into account local variations of individual aspirations. In a good society duties ought to be related to personal capacities, aptitudes and rewards, and to the contribution one makes to general life. A realization of complexities of social life and importance of different groups are expected to save socialism from the errors of over-centralization, bureaucratization and uniformism. We must identify human needs and create a large number of centres of decision-making, capable of promoting economic and political initiatives at different levels. How such a principle can be put into practice is the single most important challenge to socialism of our times.

It has also been realized that public ownership and economic subsidies only help big corporations in increasing their profits. They reduce the risks of business competition. Even the system of progressive taxation is alleged to favour the super-rich over the wage earner. It has contributed very little to redistribution of the wealth of the super-rich among the masses. It has mostly meant redistribution of wealth among middle classes themselves.

Socialism will have to transform itself before it achieves its goals in practice. May be, it will be required to achieve some sort of a balance with liberalism on the one hand and Marxism on the other, individual initiative and justice on the one hand and supervening class conflict on the other.