

## **Future State, Socialization, Labour-Time Accounting**

### **The »Fundamental Principles of Communist Production and Distribution« in Historical Context**

**Lecture by Felix Klopotek at the Museum of Capitalism/Berlin, January 6, 2022**

*Author's Note:* Edited transcript of a free lecture under the original title »On the Economy of a Domination-Free Society« ["Zur Ökonomie einer herrschaftsbefreiten Gesellschaft"]. Anacolauts have been deleted, quotations corrected, clear references to topics and persons made, bibliographical references added. No additions were made to the content. The oral character was preserved.  
FK, Cologne, June 17, 2022

*Translator's note:* The oral character was slightly reduced in the translation. A few explanations were added, mainly in brackets.  
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Many thanks to »Initiative Demokratische Arbeitszeitrechnung« (IDA) for the invitation and to the »Museum des Kapitalismus« for the possibility to appear in still or now again depressing and extraordinary circumstances. I have, of course, as is always the case, prepared way too much. However, I have divided the material into two large cake halves. So I will simply look where we are after the first half. Then we could make the cut there and discuss the first questions. If it were really beyond the time frame, then we could also call it a day after the first half.

First of all, I will move the topic a little away from council communism and place the »Fundamental Principles of Communist Production and Distribution« in a different context. I will not be so much concerned with placing this book in the development of council communist thought, but in another strand. Perhaps even in a strand that is, or seems to be, a bit more relevant now.

I come from Cologne, and Cologne, that is to say many large cities in West Germany, have brought forth their 68er personalities. Rudi Dutschke is associated with Berlin, and the »Marxistische Gruppe« around Karl Held is concentrated in Munich or Nuremberg. Or, let's take Karl-Heinz Roth in Hamburg. Perhaps these cities have produced a style of thinking. However, Cologne is not really a theory-loving city, not even today. It never was. Still, if there is one theorist who could or should be singled out, it would be Klaus Novy. He is probably no longer known. Whereas I suspect Novy and his writings have a good chance of being rediscovered. I think Novy died in 1991, he only lived for a short time, he was forty-six or forty-seven years old. What makes him interesting and so typical for Cologne or for a Cologne left-wing style of thinking: He is not particularly radical in terms of his theoretical aspirations, perhaps also in terms of his vision of society. He has always been very interested in what is feasible, in reform, in what can be implemented now. But he also always had a great interest in, shall I say, radical practices. So in the seventies, he was actually one of the first - he was really still quite young then - to deal intensively with self-management, with alternative economy, which was flourishing at the time. This led, for example, to the TUNIX congress here in Berlin in 1978, which we know as the starting signal for alternative culture. It was no longer about a socialist or Marxist or Maoist current, but about a fundamental autonomy as an alternative to the ruling regime. It was about the possibilities of getting out, for example, into self-managed enterprises, but also - and this makes Novy interesting - into new types of housing. In other words, how can social housing actually be designed cooperatively from below? Novy has published a great deal on this subject. As more and more people today are asking how life in a big city can be organized in a self-managed way, I'm pretty sure that at some point someone will come across him again.

All this is indeed related to the the »Fundamental Principles,« to council communism, and to this event, which is why I have introduced Novy in such detail. In the following, I will rely heavily on his research and it would be dishonest if I pretended that I had made it all up myself. Novy has written a very comprehensive and, in my opinion, quite encyclopedic study of the socialization debate of the 1920s and 1930s, up to 1933, where the study breaks off - has to break off - violently. If you look at this socialization debate, with its precursor debates, which actually go back to the time of Marx and Engels, then it is a huge corpus of writings, but also of real movement, of attempts at implementation, which are in fact quite unique. The surprising thing, or perhaps: unsurprising, is that it has all been forgotten and is today unknown. In fact, however, it is there, in these different facets of the socialization debate, you can find almost all the questions that are discussed today and which today, of course, are very deformed ideologically - and put back on the political agenda in a very ideological way. The »Fundamental Principles of Communist Production and Distribution« should be placed in this original context of debate. When I was writing my book on the introduction to council communism, I was not at all aware of this context, although this context is of course included in the »Fundamental Principles«. This book responds to a real debate on socialization. It was neither a student research paper nor a bohemian project, but rather a reaction to urgent questions that were current at the time. I was aware of that - but I was not aware of the actual extent and ramifications of this debate. And since for many, who are here now, discussing the »Fundamental Principles« or council communism may be something new or relatively unknown, I thought that I would like to introduce this context a little bit - and this is the first half of my lecture. This does not introduce so much into the actual topic, the actual problem of the »Fundamental Principles« - or maybe it actually does.

Novy - as I said, I am drawing on his research - identifies various stages in this great socialization debate. The first stage is the so-called »future state« debate, which takes place between 1890 and 1914, where a whole series of drafts were presented, all of them not from a Marxist context: How could something like a social state look like? - the social state that we know today, by the way, is something different. So there's a whole series of really large-scale writings that practice this painting out of a utopia [auspinseln], that are also very branched out into small parts. The second stage - and here we can see how this debate is always interwoven with a development in capital - is the war economy debate between 1914 and 1918. This debate was led by trade unionists and rather right-wing, nationalist social democrats, in exchange with the Supreme Army Command of then-Germany [Oberste Heeresleitung], and also with visionary managers of capital, Walter Rathenau, for example: the tenor was that a modern economy that met imperialist demands could not be organized according to a free market economy, but had to constitute, to build up something like a war socialism or a national socialism - and the polemic associated with this was deliberate. Thus in 1916, agreements were reached between trade unions, representatives of the war industry and the Supreme Army Command to take concrete steps toward such industrial restructuring measures. But there were also more left-wing people who saw in this not only a purely imperialist, warlike, militaristic project, but linked to it the hope that under future political conditions the working class could reap the fruits of the economic shift away from a market economy to an organized, planned economy. Dialectics just always entails that left and right cannot be clearly separated in these debates.

What follows is the socialization debate in the narrower sense. These are the years 1918 to 1920, which are very closely linked to the revolution - if you want to call it that - to the revolution in Germany. As a result of the lost war and also of the repression on the organized labor movement that had taken place for decades beforehand, capital disgraced itself in the eyes of the public to such an extent that the time is actually now ripe - yes, for what exactly? - for socialization! But what does that mean? There are no real concepts that outline this in more detail. You have these spontaneous, but very isolated attempts

from below to occupy factories. In 1919, there's a general strike movement in Germany, but at first everything is still very sporadic, very tentative, and in this period dozens of brochures, books, theses sprouted from the discourse, all calling for a socialization of the economy and proposing measures.

There is also a commission for socialization of the coal industry, convened by the - now I may say something wrong, but that's roughly how you have to think of it - Council of People's Deputies [Rat der Volksbeauftragten], so it's a very official commission. It mainly discusses the socialization of key industries. It includes illustrious people, for example Karl Korsch, who I will discuss in more detail in a moment, and who later, through various stages of radicalization, becomes a great mentor of council communism. But this is in the 1930s, 1940s; in 1919, Karl Korsch is still more of a young man with a social-democratic orientation.

In this commission for socialization, one of the masterminds, a philosopher and economist named Robert Wilbrandt, said an interesting thing that shows the direction of the discussion. He said: Socialist can only be who is not Marxist.

He articulates a double demarcation here. On the one hand, he alludes to the Marxism of social democracy, embodied above all by Karl Kautsky, and which is indeed a Marxism of historical necessity, of maturation. One can state that in this theory of history, as Korsch will criticize it later, the subjective factor, the possibility of active intervention, gets smaller and smaller, and actually the task of the party, for which Karl Kautsky thinks, is only to slow down all the time, all the time to keep the workers away from exuberant ideas of revolutionizing.

Robert Wilbrandt polemicizes against this. On the other hand, he wants to distinguish himself from those the entire commission for socialization is afraid of, namely the Bolsheviks, who are strictly speaking radically anti-economic but claim Marxism for themselves. The Bolsheviks say: when we have made the revolution, then factual constraint no longer exists for us. Then we have freedom to manage and administer as we wish, we have political power. Here, the economy is viewed - this is quite clear in their writings that appear at that time - through the lens of political power. This is very clear in an important writing by Bukharin, who was then considered the leading theoretist of the Bolsheviks, or in popular booklets by Karl Radek, the Bolsheviks' Germany envoy, so to speak, who as such plays the role of a hinge between Berlin and Moscow. The people in the commission for socialization want to distance themselves also from this reductionism or this anti-economy. And in fact there are no interesting communist voices in this socialization debate, because they consistently assume that everything will be resolved when they have gained political power.

We are talking about 1918, 1919, 1920. The pamphlets are to be understood from this revolutionary momentum. But the revolutionary momentum dried up in 1920, 1921.

That is the last year in Germany with revolutionary attempts; in central Germany the March struggles were still taking place. The debate on socialization was then replaced by a somewhat more abstract debate, a debate in which the opposing side in particular became involved; Klaus Novy calls this the economic calculation debate [Wirtschaftsrechnungsdebatte], and what also belongs to this economic calculation debate is the »Fundamental Principles«.

It is the neoliberals who opened this debate, or those who will later call themselves neoliberals, which is a bit different from what we understand by it today. But there is continuity with today's neoliberal thinking. The neoliberals formulate an impossibility theorem that is still presented to us today in a million variants. The theorem assumes that only the private, absolutely decentralized ownership of the means of production can guarantee a free formation of prices, which takes place exclusively on the

market. Ultimately, this question of price formation leads to the supposedly crucial information of end demand, and it is through this information of end demand that the distribution mechanism of resources is then provided according to supply and demand. So the neoliberals want to show that an alleged over-rationalization of the economy produces its opposite, because it deprives itself of the price determination on the free market. *They equate this determination of prices with setting social priorities.* Max Weber put the criticism this way: »that what is touted as a higher form of rationality, the conscious coordination of individual actions, causes the technical foundation of rationality or the objective standard to fail.« For: the invisible hand, which then proves to be very regulating on the market, you have abolished it!

Not surprisingly, this economic calculation debate [Wirtschaftsrechnungsdebatte], just like the free market, melts away in the crisis of 1929. It is replaced by a brief debate on planned economy, which means nothing other than that even in the circles of capital and capital-affirmative thinkers, massive thought is again given to economic control. Somehow, one is a bit envious of the alleged successes of the first five-year plan in the Soviet Union, but one is also envious of Mussolini, who also introduced elements of a planned economy. Bourgeois people include the successes of both regimes quite openly and unbiasedly in their calculations and considerations. The break, finally, is brutal and comes with the Nazis in 1933, who still pursue elements of a planned economy and are looking toward Stalin, Mussolini, but also to the New Deal in the USA - there is a little book by a historian, Wolfgang Schivelbusch, who has worked out these common coordinates of fascism, New Deal and Stalinism. But I have mentioned these stages always on the condition that a real interest of the workers' movement is articulated there, and the workers' movement is of course banned and terroristically persecuted after 1933. There is once again a return of these socialization debates, again under unfavorable conditions, after 1945. These are ultimately the processes that lead, for example, to something like an expropriation paragraph in the »Grundgesetz« (German Constitution). At that time, there were timid attempts to socialize in the West. But there were also quite interesting attempts to socialize from below in the build-up phase of Stalinism, neo-Stalinism, in the later GDR (German Democratic Republic), around the founding of the GDR, which are all shaved off at the latest in the forced »construction of socialism« ["Aufbau des Sozialismus"] from 1952 onwards, which hit the SED (the communist party of the former GDR) in the face on the famous June 17.

With a big leap, we actually arrive in the 1970s, where we have the alternative economy, the wave of self-management. Today this has such a weird name: Transformational Design, it's also called System Change or Great Re-Set, which by now has taken on a rather paranoid connotation. I think that we are again at a threshold where many of the ideas that Klaus Novy talks about will come up again in the next few years. It could be interesting if, as a communist, as a socialist, you're familiar with this debate, this historical debate, and can relate the respective ideas to the present and the future, because the question of socialization is becoming relevant again.

We are not yet at the »Fundamental Principles«. But you have to be really clear about this historical context, because when you read the book, you're repelled at first, as I was when I first came across it 20 years ago, because it's such a dry subject and because it also goes straight into medias res. It is quite difficult to find a reading path. I have sketched such a one in detail in the corresponding chapter in my book on the introduction to council communism. Hermann Lueer apparently did the same, but I haven't read his suggestion now. It is really advisable to work out a reading path. Even if the text itself may be understandable, you might still miss the superstructure, the meaning behind it, and that's why I'm taking a slightly longer run.

The whole question of socialisation, and thus ultimately the question of control over our working

time, over our use of labour in general and the distribution of our labour power, can be seen under a tension between general welfare and private interest. I know that when the general welfare is cited in left-wing circles today, you immediately have the police of ideology-critique on your heels, because how can there be a general welfare under capitalism! Yes, there can be, in a certain sense, and one could save this concept dialectically, because - and this plays a major role for the »Fundamental Principles« - there are tendencies in capitalism that point beyond it, that basically set forms of traffic, relations of exchange, also a development of the productive forces that reach beyond immediate valorization. In this sense, one can say that the tasks of the left are always to defend society against capital or against capitalist interests.

A small anecdote: The term capitalism was introduced relatively late and is not so prominent in Marx and Engels. It comes up in their work, but only later. They talk about the capitalist mode of production. That is to say, they speak of a mode of production that operates in society, and there they immanently or consciously unconsciously open up this difference between society and mode of production. Only when this mode of production has attained its pure dominance does one really speak of capitalism, a way of speaking in which society as a whole and the mode of production in it are identified with each other - which was not at all so clear-cut in Marx and Engels. The talk of capitalism comes up through that interesting economist Sombart, who didn't invent the term, but made it popular and common.

In this sense, a tension between the general welfare and private interest can also be stated for the socialization debate. This tension has been driving bourgeois society from the very beginning. There is a quotation that is attributed to Rousseau - we are now very briefly in the 18th century - who is supposed to have said that only the abundance of food [Lebensmittel] may be the subject of trade, that what is necessary belongs to everyone. Early socialism then also feeds quite strongly on such sentences. There is, for example, a very interesting maxim by a student of Fourier, also a participant in the 1848 revolution, later still a participant in the Paris Commune. His name is Victor Considerant. One of his guiding principles was: To each according to his work, to all that which is indispensable. This is the basic idea that essentially drives this debate on the future state, the debate on socialization, and which was formulated by no one as clearly as by an inventor and engineer named Josef Popper (1838-1921), actually an uncle of the notorious positivist philosopher Karl Popper. Josef Popper somehow had the material means, thanks to his profitable inventions, to do quite a bit of thinking, and wrote the draft of the future-state which juts most strongly into this socialization debate, and which really tries to be operationalized there. He belongs in the ancestral line that leads to the »Fundamental Principles«. He must have been an interesting guy, he also wrote literature, Einstein boasted of his friendship with Josef Popper, he wrote a lot about dreams, so that Freud said Popper was an important influence for his dream interpretation. Popper came from assimilated Judaism, also wrote about anti-Semitism. If you like, one of the last representatives of the Enlightenment, a really quite remarkable maverick, who was discovered by Zionists around 1910, 1915, 1920 - from the point of view: If we already have the chance that we build our own state, then according to the principles of Josef Popper. What principles? His fundamental principle is that he turns the relationship between the individual and society on its head. So it's not the question that 100 years ago, when people weren't so hedonistic, was clearly the central question: What can we do for the state, what can we do for the community? Instead, he set as the highest maxim that the community must be there for the individual. It must guarantee the individual the minimum subsistence level. He reversed the relationship, placed the individual at the centre and, on the basis of this reversal, formulated socio-political necessities. His main writing has a somewhat peculiar title, »The general obligation to nourish as a solution to the social question« (free translation of "Die allgemeine Nährpflicht als Lösung der sozialen Frage").

Popper assumes the possibility of a collective grouping of needs. That is, it is possible - in what today we would call social discourse - to define the collective needs of a society. This concerns first of all the obligation to nourish. The question of decent nutrition and food supply was much more urgent at that time. This concerns the housing question, education, care for the sick and elderly. This goes even further, it also concerns such things as clothing. In short, it concerns a catalogue of collective needs which, for all the differences between people, are common to all. This area involving this collective need, this is the general area which is removed from any market activity, also from any political conjuncture. It is administered by its own independent ministry, which is directly determined by plebiscite - 120 years ago this would have been a great innovation.

Josef Popper also called this the socialized economy of obligation [sozialisierte Pflichtwirtschaft], which must guarantee such care, and how does it guarantee it? Through a general obligation to work, which affects all members of society. This is also an old idea of the early socialists. Marx, I think, in the Communist Manifesto speaks of compulsory labor, this concept also exists among other early socialists, and Popper basically explicated it, spread it out, and actually calculated quite precisely that there is a compulsory labor service of 37 years: from the age of 18 to the age of 55. He has also - this is, as I said, still the time when people liked to paint out utopias - differentiated everything exactly. He assumes a transitional period the future state needs for its development: 80 to 100 years, a period during which compulsory labour service is reduced from 37 to 13 years. What we do after these 37 or 13 years is up to us. Popper certainly knows free private enterprise, which is responsible for the luxury goods. If you want some fancy clothes, if you want books, a means of transport to go on holiday: according to Popper, there should be an unrestricted area where the market economy applies and which is responsible for the production of luxury goods, which will increase in the course of the years, because the compulsory labour service is reduced from 37 to 13 years. This means that someone at the age of 31 could indulge in some ideas and invent and sell, for example, means of transport. The central point by Popper is that such socialised economy of obligation follows the principles of a natural economy. There is no exchange of money, instead we get things allocated according to our needs, which are determined collectively.

Popper had a strong influence on the debate on socialization because there was a shrewd Austrian named Otto Neurath, against whom the Dutch polemicized quite harshly in the »Fundamental Principles of Communist Production and Distribution« (which is also considered a »Dutch paper« [Holländerschrift], I'll tell you why it's called that in a moment). I have also adopted this polemic as my own, but that is a bit unfair to Otto Neurath. Neurath is an interesting, an extremely multi-layered thinker. A thinker who, for example, is also at the beginning of this »Museum des Kapitalismus«, because at the end of the twenties Neurath developed his Enlightenment visual language, pictograms, to display social processes, inequalities and so on; and in 1925 in Vienna, he founded, well, not a »Museum des Kapitalismus« [Museum of Capitalism], but a comparable museum (»Gesellschafts- und Wirtschaftsmuseum Wien«), where people could figure out economic processes in an antagonistic society by means of illustrative graphics - Neurath worked there with artists from »New Objectivity« [Neue Sachlichkeit], who in turn came from the council communist milieu, Gerd Arntz, for example, famous for his woodcuts. Neurath has done enlightenment work, which, it may be said, continues right up to current projects like the museum here. So, he is a remarkable guy who, as a scientist, was also politically active. Neurath was active in the Munich Soviet Republic [Münchener Räterepublik]. There he tried to implement Popper's ideas in a very concrete way, to turn them into rules of action for the economic council. Later, when he was active in Vienna, in red Vienna, he always endeavored to propagate the idea that there is a large economic sphere which is controlled by the revolutionary proletariat, which is organized in terms of natural economy, and this sphere becomes larger and larger in the course of the extension of the dictatorship of the proletariat, until we finally arrive at a perfect

natural economy, that is, a society without exchange and without monetary relations. There is quite this tie between the different generations of theorists.

Karl Korsch leaves us a different trail. As a résumé of his investigations in the commission for socialization, he presented a small paper called »Was ist Sozialisierung« ("What is Socialization"), published in 1919, which is a milestone in his own radicalization. Korsch embodies the rare case where someone comes out of a bourgeois reform movement and in a very very short time moves further and further to the left, i.e. SPD (Social Democratic Party of Germany), USPD (Independent Social Democratic Party of Germany), KPD (Communist Party of Germany), then he is thrown out of there, is something of an ultraleninist for a while, then he actually ends up in anarchism/ council communism. He defined socialism, very succinctly, as an economic order where the social process of production is a public affair of the producing and consuming totality. Here you can underline three terms. First - he speaks explicitly of the social process of production. Which is not a matter of course in the case of private ownership of the means of production. There, it is precisely the case that production is detached from society: Only on the market, through the so-called end-demand information of free formation of prices does something like sociality occur. Korsch counters: No, it is social production! The second thing that can be emphasized is the public affair. That is, the social process of production must be controlled by society itself. And, thirdly, Korsch sees a contradiction between the producing and the consuming part of society. Indeed, his fear was that, depending on which one emphasizes more within socialization: the producing or the consuming side, that this would lead (and he's not sure of his terms yet) to new capitalisms. It's all not particularly Marx-founded, Korsch talks about producer capitalism, consumer capitalism - a very peculiar choice of words. But what he means is: Depending on what you absolutize, the production side or the consumption side, you create special interests; special interests that are realized against another part of society. Put simply, if I want more quality at work, want to work less and, above all, don't want to sweat away [malochen], this entails certain opportunity costs - that's a business term, I had to look it up myself: that's the lost benefit of an alternative course of action that is not chosen or cannot be realised. So, more job quality implies foregone consumption as an opportunity cost. I only work four hours, not eight, so less is produced. Vice versa, vice versa. If our demand is that we would like to have this and that, comfort and a lot of consumption, in other words, if we take a strong consumer standpoint, then this means that more work must be done accordingly. Korsch now develops a rather complex model in which the interests of society are mutually balanced and the means of balance is the rule of the councils, but he remains vague at this point. There is a demand of society on production - this would be the general obligation to nourish, according to Josef Popper, or to put it in complicated terms: the aggregation of collective needs. And on the other hand, there has to be the possibility that people who produce all this can always articulate their interest, namely in reducing working hours, in working conditions that don't make you sick, that don't alienate you, and that this creates a balance of social interest and special interests, the special interests of establishments [Betriebe]. Korsch says:

*Thus »socialization,« the »socialization« of the means of production, consists of two mutually complementary transformations of the private-capitalist mode of production in order to bring about true common property: The transfer of the means of production from the sphere of power of individual private owners into the sphere of power [now it gets vague] of any kind of societal functionaries [irgendwelcher gesellschaftlicher Funktionäre], and the public-law restriction of the powers of the now heads of social production in the interest of the whole. (free translation)*

The interests must be put into perspective, and it is the task of the councils to carry out this relativization, this balancing, again and again. The question is of course, I have underlined it here,

he speaks of »some social functionaries", Korsch is also vague about many things. Now we are actually already at the »Fundamental Principles«. This book has everything I've told you up to this point on the screen, its authors know all this and basically formulate an unspoken, immanent critique of these ideas, and for this critique, for the first time in the entire debate on socialization, they extensively refer back to ideas of Marx and Engels. I had earlier read this quote from Robert Wilbrandt, a non-Marxist bourgeois socialist. The one who said you can only be a socialist if you're not a Marxist. And in 1919 Korsch was also not yet the Marxist he would become a few years later.

The »Fundamental Principles of Communist Production and Distribution« were in essence written between 1923 and 1925, and in prison. They were written by a worker who participated in the council movement and did wild things: Jan Appel. In 1920, with the writer Franz Jung, he hijacked a ship to discuss with Lenin. The Russian Civil War was still going on, you couldn't just pass through the German Reich and Poland to the Soviet Union. That's why Appel and Jung hijacked the ship. They went to Murmansk by steamer. That was one reason to put him on the wanted list, and the other was that he had joined a group of armed workers who committed robberies. These guys were really after food. This was in 1921, 1922, when the council movement was already in decay. A daredevil type, a fascinating figure, this Jan Appel! You could make an entire evening just about him. At the same time, Appel was someone who would be offended by the multiple mentions of his name. Perhaps more than any other council communist, Appel is the exemplary representative of the idea of the collective, someone who felt extremely uncomfortable if you wanted to single him out in any way. So he sits in jail in 1923, working through the »Capital« volumes there, and gets the idea that actually »Capital« talks about communism all the time. When he gets out of jail, he has a finished raw draft of the »Fundamental Principles« in his pocket. There is no future for him in Germany: he is on black lists, there are fememurders [Fememorde] of workers' activists by former Freikorps men, he has no perspective in Germany, so he becomes a migrant, goes to the Netherlands. Many migrant workers from Germany in the Netherlands are actually left-wing communists. Appel also meets left-wingers or council communists there, including a former worker named Henk Canne Meijer, who speaks German quite well. In general, it was a matter of course at that time to speak German in the Netherlands, there were no major language difficulties. Henk Canne Meijer is probably the one who is extremely well versed in all the socialization literature and brings in his knowledge. So together they turn Appel's raw draft into the »Fundamental Principles« that we know. In 1928, I think, the book appears for the first time in Dutch, then in 1930 in German; and in 1931 an important abridged version appears, called the »Starting Points« [Ausgangspunkte], which is not contained in the new translation by Hermann Lueer; for this, you have to resort to the old post-war edition of 1970. There is a second edition of the »Fundamental Principles« from 1935, an edition that is extensively revised and, it must honestly said, more interesting in content. Hermann Lueer translated and re-edited it two years ago. For my book on council communism, this came a little too late. By then, my chapter had already been written, and I could only cursorily incorporate the new translation. Only this much about the context, the fact that the »Fundamental Principles« is a text from the council movement, from the radical wing of the council movement.

The starting point of the text - I haven't gone into it so much now, because it's all history already, but the urgent discourse of that time - is the situation in the Soviet Union. So the GIC (Group of International Communists) introduces its text by saying:

*It was in this way that in Russia a gigantic concentration of productive forces as no other land on earth had ever attempted was carried through. [What they mean is 1925/26.] [And now comes the crucial*



sentence.] *Woe betide that proletariat which is compelled to struggle against such an apparatus of power! And in spite of all, this is the reality which has overtaken Russia! There can now be not the slightest doubt: the Russian worker is a wage worker, a worker exploited! These workers must struggle for their wages against the mightiest state apparatus the world has ever known!*

The tension, which inheres in Josef Popper, which inheres in Karl Korsch, namely: how does the interest of the individual relate to that of society; how does the interest of an establishment and its staff relate to the interest of consumption in society as a whole, reappears in the »Fundamental Principles«, expressed in the question: what is the relationship of the worker, the establishment (the authors assume that establishments [Betriebe] still exist) to the central power of the state, which in Russia calls itself a workers' state? The answer has already been given, it is a negative relationship. The central power, the state holds the means of production and thus has control over the productive force of labor, over the workers. What share the individual has in the product is determined by the management, the relationship goes from »top« to »bottom«. The question is: Is there, on the other hand, the possibility of clarifying the relationship between abstract, central, fundamental elements of a society and the interests of the individual precisely in such a way that their consequence does not amount to mediation through the state? Again, as a reminder, Korsch, who has already given so much thought to this question, simply speaks of »any kind of societal functionaries« [irgendwelche gesellschaftlichen Funktionäre]! But one must ask precisely: What prevents a council from automatizing [Verselbständigung] into a new state organ? For all the credit that the left in the West was willing to give the Soviet Union, because of the adversities of the civil war, the automatization of the councils was experienced as a real problem and not only as a product of external coercion. It would therefore not cease again when the external coercion, for example the civil war, the threat from the interventionist powers, disappears, in fact it follows an inner logic. How to break this inner logic? That is basically the whole effort, the whole impetus that is in this text. The authors frequently go back to quotations from Marx and Engels, discover their remarks of the free association of producers, and say, in contrast to the whole communist and socialist mainstream of their time, Marx was an associationist, that's my word, or in any case he was not a centralist: He does not assume that there is a central administration with powers of enforcement, a central accounting of social needs. In short - Appel and Canne Meijer discover in Marx that already at an early stage of the revolution there will in fact no longer be a state.

But in what would this association - speaking a little philosophically - have its fundamentum in re, that is, a real foundation of an abstract general concept? What would that be? That is time, more precisely: the labour-hour! I will now make a quick pass, just to present the theses of this text. The basis of association is the exact relation of the producers to the product, and the exact relation can only be determined in time: How much labour was expended on something, expressed in the duration of the expended labour. The GIC places the accounting on the level of the establishments. Many questions are linked to this: The »Fundamental Principles« have already been criticised in the past for thinking of society as it is now, but under the rule of councils. Everything is as we know it, except that the Reichstag no longer exists, that Jeff Bezos no longer exists. So the »Fundamental Principles« assume that establishments will continue to exist. The question can be asked whether there would still be something like the establishment form at the end of a revolution or a class struggle! But okay, that's another discussion. Back again: Every business has to make a self-cost calculation [Selbstkostenrechnung] in working hours for its products. No big news! That is exactly what is already taking place today. That is one of the great strengths of this GIC text, that it confronts the rationality of the capitalist mode of production. Today we are used to think that this rationality is ideology, just a cover-up for exploitation, oppression and control. But Appel and Canne Meijer say, sort of: *Wait a minute, categories [Größen] such as constant and variable capital and surplus value are real*

*societal categories. They are not just a sinister invention of capital, but behind them are real social processes that can be observed and then applied and operated with - outside of and without the form of capital.* And this self-cost calculation in labour-hours, it exists, it is known to everyone who works, it is one of the central elements of intra-establishment domination. Today, for example, this is called cost centre accounting [Kostenstellenberechnung]: departments of an establishment bill each other more or less fictitiously. There are no real money flows, but one pretends to precisely quantify - in money - the work done by one department in order to charge it to another department that uses the work of said department or its partial products. This allows the management to control how much time has flowed, what capital investment there has been, and so on and so forth. Internal control in a larger business already runs along the lines of time accounting and material accounting. Perhaps it would be too easy to say that we can pick up directly where we left off; that we can make use of all these elements that business administration has already developed and place them in a context in which there is no longer value production, or exploitation of labour power, or more precisely: competition for the most effective exploitation of labour power. Okay, many organizational principles with pure control functions would probably fall away. A few would probably remain, such as self-cost calculation [Selbstkostenrechnung]. In any case, the »Fundamental Principles« first of all propose to start from this - in a methodically rather stubborn way. But they go one step further and propose to trace the entire inventory, machines, buildings again to an accounting of labour-hours [Arbeitsstundenrechnung]. Because the inventory was of course also produced at some point, which again can be expressed in time.

This results in an average value, an average cost value in working time - applying to the whole of society. This average value allows a balance between »above average« and »below average« establishments. At the end of a calculation period, after one year or one month, there are: products worth X hours of labor and, in contrast, the claims of the members of society counted in labor-hours. So that means we get - to use the old vocabulary - something paid out? No. We have an overview of the claims we can make against (other) goods through the work performed, whose expenditure is transparent. There is indeed such a thing as hourly vouchers, by the way a very old idea from the labour movement, an idea that Marx had ambivalent feelings about. Actually, he is a critic of these labour-time sheets [Arbeitsstundenzettel] because he sees the danger of them becoming capital again, hence his criticism of Proudhon, who had similar ideas. But on the other hand, Marx sighs and says: yes, for my sake. There's a flash of laconism here.

The »Fundamental Principles« also deal with those establishments - and those are actually the most important and most interesting; those which are getting more and more important - which do not produce a thing-like product. These are the GSU establishments, the establishments for general social use. They include administration, schools, which interestingly enough are also thought of in terms of establishments, health care and care for the elderly, the entire area of our reproduction. Certainly also museums, let's say: the entire cultural sphere. The GSU establishments are supported by the products of other establishments, so that each worker in a productive establishment must give a part of his products to a worker in a GSU establishment. That is the first deduction from the labour-hour. There is a second deduction: the general social accumulation fund. Society must of course make sure that worn-out goods are replaced, a reserve must be built up. This must be set off against the labour-hour fund of society as a whole. This is not a new idea either; to Appel and Canne Meijer, it was important to note this! There is, in fact, a longer passage from the »Critique of the Gotha Programme« [»Randglossen...«], where Marx polemicizes against the folks who assume that the entire labor yield of an establishment must flow back to the workers. Like this: Everything the workers produce belongs to them. That was a demand of social democracy at the time. Marx says, *let's take a closer look at that*, for him that was a crackpot idea that goes back to people like Proudhon or other so-called early socialists. Marx recalls all

the things we have to take care of. We have to replace the used up means of production. We actually have to keep expanding production, he already assumes that accumulation is necessary, namely, thirdly, to insure against crop failures, against natural disasters, whatever ... against pandemics, which may be with us for a while even under communism. These deductions from the »unabbreviated labor yields« are an economic necessity, their magnitude is to be determined according to available means and forces, partly by calculations of probability, but they are in no way calculable from justice, from a diffuse feeling of the workers: this is all ours after all, what we have produced must also flow back to us. *No, communism is rather the expression of a sociocracy, that is the domination of society over itself, it is almost a concept that cancels itself out [aufheben].* The idea behind this is a demarcation from producer-syndicalism. Marx has yet other things in mind: a fund must be set up for those unable to work, he also thinks of schools, health facilities and so on. Only when all this has been accomplished, when society has come into its right, do we come to the distribution - which the programme of the social democracy of the time narrowly envisages almost alone - of the means of consumption, which are distributed among the individual producers of the cooperatives. In the »Critique of the Gotha Programme«, Marx notes:

*The »undiminished proceeds of labor« have already unnoticeably become converted into the »diminished« proceeds, although what the producer is deprived of in his capacity as a private individual benefits him directly or indirectly in his capacity as a member of society.*

That's highly interesting, because what Marx is saying is that the contradiction between the individual and society is dissolving, that all these deductions are no longer going to a power that controls us and that will only use us productively - productively in the sense of an ever-advancing exploitation of our labor power. Instead, the saying proves true for a change: what we do, we do for society; we're all part of this society, so we do it for us.

In an unspoken-outspoken way, the »Fundamental Principles« are oriented to this scheme. As far as I know, Marx's »Critique of the Gotha Programme« ["Randglossen"] were not available to Jan Appel when he started to engage with the subject. One must bear in mind that Marx's writings did not circulate at all as widely as we take for granted today. It was quite difficult to get hold of the sources. Apparently, the guys from the GIC read the »Critique of the Gotha Programme« relatively late in their work process and recognized themselves in them. The difference between them and Marx is that they were able to grasp precisely what remains indeterminate in Marx: What are the mechanisms, which are not central-governmental, which can ensure that there are deductions from the labour-hour and everything works so transparently that no one experiences being once again at the mercy of an erratic apparatus? It is the accounting of labour time [Arbeitszeitrechnung] which all can agree on, because it applies to all, is comprehensible to all.

In understanding the »Fundamental Principles", perhaps this is the biggest hurdle: the calculation of the FIC, the Factor for Individual Consumption. By relating the product left over after deductions, measured in hours worked, to the number of labour-hour tickets issued to the comrades, the factor is calculated. This factor, which is visible to all, transparent to all, shows how many products the worker can get for one hour of real work. This calculation is carried out by a central agency, so there is definitely a claim to institutional centrality. But this agency only calculates, it does not rule! It has no executive power whatsoever. One could also say: this agency is a kind of public computer.

At the end of an accounting period, the GSU establishments indicate what means of production they require. The establishments indicate what they need for accumulation. The goals of accumulation

are set by the economic congresses of the workers' councils - and contemporary critics immediately took note of this. Wait a minute, economic congresses of the workers' councils! There you have a moment of centralization, there again a supra-establishment institutional organization comes into play, which determines the economic plan of the next year. We can argue about that later, whether that would really again be the starting point for automatized [verselbständigt] state rule. Here are just a few relevant quotations or sayings by Marx, all of which can be found in the »Capital« volumes. On the one hand, Marx is incredibly meticulous, and at times downright nitpicky, very close to the material, to get to the heart of capital, but when it comes to defining communism, he likes to be laconic and writes a little lackadaisically. I think he did that quite deliberately. He says:

*The question then comes down to the need of society to calculate beforehand how much labour [...] it can invest ... (Capital, Volume 2, Chapter 16)*

Or:

*It is only where production is under the actual, predetermining control of society that the latter establishes a relation between the volume of social labour-time applied in producing definite articles, and the volume of the social want to be satisfied by these articles. (Capital, Volume 3, Chapter 10)*

Or:

*Society distributes labour-power and means of production to the different branches of production. The producers may, for all it matters, receive paper vouchers entitling them to withdraw from the social supplies of consumer goods a quantity corresponding to their labour-time. These vouchers are not money. They do not circulate. (Capital, Volume 2, Chapter 18)*

What critics have deplored: What is »society«? How does »society« articulate itself? Where does »society« find its inner unity, if one does not want to resort to pre-political factors - such as the fascinating anarchist attempts of Prince Kropotkin, where communism is embedded in an evolutionary-biological or anthropological framework, according to which there is a real existing mutual help of people and of all life in the world. This is not to say that this is bunk, that this doesn't exist. The last one to present such an anthropological-anarchist outline in a charming way was, as I find, David Graeber, the anarchist who died a year and a half ago. He said that communism actually already exists! Let's consider, says Graeber, where in everyday life we do not act in calculating and spontaneous solidarity; let's look at what happens when people go to the barricades, when they declare autonomous zones and so on. We actually always experience that in such moments a spontaneous communism arises. I don't even want to deny this anarchist idea. However, this is quite a different discussion. The »Fundamental Principles« forbid such general speculation. It is a sober, dry text closely aligned with the notion that what holds society together at its core is labour - the labour it needs to reproduce itself. And labour can be measured in time. From the measurement of time, the abstract labour-hour, a principle can be derived which makes possible a distribution of labour that is clear to all. If the distribution of labour is clear to all, then it is also possible to say (and this is always taken into account): *Wait a minute, but we don't want that any more, we don't want a communist Porsche.* It is quite probable that such kind of work, the production of sports cars, will simply be avoided. The fetishization of labour, of labour employed, shall be disenchanting by transparency and by a clear reference to the abstract labour-hour.

Interestingly, there was an echo of this text in the GDR [German Democratic Republic], namely in the work of the economist Friedrich »Fritz« Behrens (1909-1980). Apparently, Behrens was familiar with the Dutch-text. Biographically this is quite obvious, because Behrens did not come from a strict

training of the KPD [German Communist Party], where such things were certainly not read. Behrens came from one of the so-called intermediate organizations, those groups between the SPD and the KPD, where a very vivid theoretical discourse took place, which suggests that he somehow got the »Fundamental Principles« through these groups. Thomas Kuczynski, who is still active, has written a biographical sketch about him. Kuczynski was an economic historian in the GDR, probably also knew Behrens and speaks openly of the fact that Behrens was actually a council communist, undercover of course. Behrens was caught between the highest recognition and draconian condemnation in the GDR in the 1950s and 60s. In the 1960s, the GDR pursued the idea of installing a »New Economic System of Planning and Management« [»Neues Ökonomisches System der Planung und Leitung«] that would address the tension between »individual establishment and societal interests«, right down to questions of each worker's motivation to work. There was a lot of experimentation at that time and interest in cybernetics, an early form of digitalization. What it boiled down to was that in the 1960s in the GDR, establishments were given greater freedom in how they run their economy. Which, in the form it took, would certainly and much earlier have led to capitalist structures re-establishing themselves. *This* is one of the reasons why this experiment in economic reform was aborted quite abruptly. People like Behrens, who were actively involved in these reforms, got caught up in the mills of the bureaucracy - yesterday still the celebrated reform economist, today already a counter-revolutionary. Personally, this was always insanely dramatic and humiliating. Early on, in the 1950s, Behrens evaluated Marx's »Grundrisse« and, in his memoranda and studies, tried to work towards the radical application of the principle of the economy of time in the planned economy of the GDR. He tried to do exactly what the Dutch also want in the »Fundamental Principles«: to apply the principle of the economy of time. *The* view that the proletariat is its own leader, according to Kuczynski, also underlay Behrens' early reform concepts more or less pronouncedly, for example when in 1956 he stated that the, quote, metaphysical separation of spontaneity and consciousness for the planned economy basically means nothing other than a denial of the role of the masses, end quote.

I think, this is a genuinely council-communist idea, which was formulated in the »Fundamental Principles«: the interaction of spontaneity and consciousness in the planned economy. Behrens' council-communist impulse is also evident in the fact that, absolutely unusual for a dissident Marxist in the Eastern Bloc, he criticized the reforms of the Prague Spring from the left. It should be added that all this was, of course, never published and presumably never passed around by Behrens. This was stuff that was written down only under great fear that it would be discovered. He writes, in 1976:

*The ideals of the Prague Spring, a democratic socialism, not a socialist democracy, were insofar reformist, not revolutionary ideals, which of course does not exclude the fact that they could only be realized in a revolutionary way, because the bureaucracy, as it turned out, would not voluntarily resign without the use of force. They (these reforms) were a matter for the intelligentsia and the youth and were taken up by the masses only when it was already too late. Therefore, the main demand of a movement directed towards socialism, must be the self-centralism (interesting formulation!) of the masses, the formation of workers' councils and the establishment of a council democracy. And elsewhere Behrens writes: The struggle for measures going beyond necessary republican liberties demands the self-centralism of the masses, which begins with the formation of workers' councils and must culminate in the establishment of a soviet republic. But the Prague reformers wanted capable managers in the state enterprises. (free translation) (Capable managers - actually also the reform ideal in the GDR in 1961!)*

Self-centralism is quite a wonderful word. I looked it up again, it originally came from Rosa

Luxemburg. You can use it wonderfully as a key to understanding the »Fundamental Principles«. The excursion to Behrens was not quite a leap into the present, but I wanted to show that there were echoes of such theses in the work of Marxist mavericks even in the post-war period. We now make the cut here.

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