

CAPITALISM

VERSUS

SOCIALISM

A STUDY GUIDE

This study guide was prepared by:

THE PRODUCTION COLLECTIVE

For use by The Bookstore Club of:

WORKING WOMAN AND MAN BOOKSTORE

READINGS: The Communist Manifesto,
Karl Marx and Fredrich Engels
Dialectical and Historical Materialism,
Joseph Stalin

PURPOSE OF THE BOOKSTORE: To inform and educate
working people about issues and events that have
a direct and indirect influence on their lives.

Introduction

What are our problems? What are the obstacles to our development?

Inflation results in a yearly "paycut" of 10 to 20 percent of our wages by reducing our buying power. Recessions every 5-8 years further threaten our economic security. Rising unemployment. Chronic unemployment of more than 50% of some sectors of the working class. Chrysler bailed out with tax money and workers pay cuts. Factory closings. Unsafe working conditions.

Less than 5 years after the end of the Vietnam war, preparations are again being made for war. The Defense budget tops 100 billion dollars while childcare, food stamps and other social programs are cut to the bone.

Oil and gas prices take more and more of our earnings while oil companies report profits of 200%.

Health care costs continue to rise while the quality of health care declines and our environment more and more threatens our health.

The ideologies of male chauvinism and white supremacy distort and threaten human development.

Rising crime. Illiteracy. Hunger. Lack of purpose.

The list is far from complete. Add your own observations.

The source and the solution to these problems are not unknowable. They spring from definite class relations of this society, definite relations of production and distribution.

What are these relations? Labor creates wealth.

Yet in capitalist society the products of wage labor belong to the capitalist. Marx summarizes: "the laborer lives merely to increase capital and is allowed to live only in so far as the interests of the ruling class requires it.... Living labor is but a means to increase accumulated labor (capital)." The realities of economic exploitation and social oppression are listed above.

In contrast to present capitalist society, Marx:

"In communist society, accumulated labor is but a means to widen, to enrich, to promote the existence of the laborer."

In short, the fundamental question we face is who will control the products of socialized labor and to what purpose. Our aim in this study is to come to some understanding of our own conditions in the framework of this fundamental contradiction: socialized production versus capitalist private property.

I. AN OUTLINE OF THE WORLD OUTLOOK OF DIALECTICAL MATERIALISM

What prevents us from seeing the essence of our problems? What holds back our struggling to change our conditions? In order to struggle to change our conditions, to struggle against the capitalists (bourgeoisie), we must struggle with ourselves to throw off the bourgeois modes of thought we have been conditioned to in order to justify and preserve the existing capitalist conditions. To do this, as a framework for this struggle, we study Dialectical Materialism, the world outlook of scientific socialism.

Two basic principles of our study:

A. Practice is the criteria of truth, or in other words, the truth or falseness of our ideas and theories must be determined in social practice, in experience.

B. Social being determines consciousness, not consciousness social being: our experiences and conditions determine our ideas and modes of thought, not vice versa.

DIALECTICS

1. Nature is a connected and integral whole, in which things are organically connected with, dependent on, and determined by each other.

METAPHYSICS

1. Nature is an accidental agglomeration of things, unconnected with, isolated from and independent of each other.

2. Nature is in a state of continuous movement and change, of continuous renewal and development, where something is always arising and developing and something is always disintegrating and dying away.

2. Nature is in a state of rest and immobility, stagnation and immutability.

3. Development is a process where qualitative changes occur not gradually but rapidly and abruptly, taking the form of a leap from one state to another, they occur not accidentally, but as a result of an accumulation of imperceptible and gradual quantitative changes.

3. Development is a simple process of growth, where change is a process of quantitative increase and decrease. Cyclical development.

4. Dialectics holds that internal contradictions are inherent in all things and phenomena of nature, for they all have their negative and positive sides, a past and a future, something dying away and something developing; and that the struggle between these opposites, the old and the new, constitutes the internal content of the process of development.

4. The process of development is a harmonious unfolding of phenomena; internal contradictions are not inherent.

STUDY QUESTIONS (Multiple Choice)

1. Women must not fight for the Equal Rights Amendment. () Dialectical () Metaphysical.
2. Women's role is in the home, not on the job market taking jobs away from men. () Dialectical () Metaphysical.
3. Working class people should be ashamed to go on strike against the company. () Dialectical () Metaphysical.
4. The capitalist system was a very progressive force in the development of humanity, but with the high level of development of the productive forces, economic exploitation and social oppression of people aren't any longer necessary; the capitalist system must be transformed to socialism. () Dialectical () Metaphysical
5. No matter what kind of system you set up, it always ends up with some people on the top and some on the bottom. () Dialectical () Metaphysical

THE DIALECTICAL METHOD

Dialectical Materialism is above all a method of approaching and solving problems. What are the consequences of the dialectical method of studying and solving problems?

--"Every social system and every social movement in history must be evaluated not from the standpoint of "eternal justice" or some other preconceived idea, as is not infrequently done by historians, but from the standpoint of the conditions which gave rise to that system or social movement and with which they are connected." Stalin, Dialectical and Historical Materialism.

--"There can be no immutable social systems, no eternal principles of private property and exploitation, no eternal ideas of subjugation of the peasant to the landowner, of the worker to the capitalist."
Stalin, DHM

--"We must not base our orientation on the strata of society which are no longer developing, even though they at present constitute the predominant force, but on those strata of society which are developing and have a future before them, even though they at present do not constitute the predominant force." DHM

--"We must not cover up the contradictions of the capitalist system, but disclose and unravel them; we must not try to check the class struggle but carry it to its conclusion." DHM

STUDY QUESTIONS

1. List below contrasting examples of dialectics and metaphysics as methods of conceptualizing and solving problems:

DIALECTICS

METAPHYSICS

2. A common saying is "you can't fight city hall."
What kind of thinking does this represent and what
effect does it have?

3. Development takes place from a "struggle of opposites
To be for or against something is representing a struggl
of opposites. Give one example from your own developmen
of a struggle of opposites.

MATERIALISM VS. IDEALISM:

MATERIALISM

The world by its very nature is material; the multifold phenomena of the world constitute different forms of matter in motion, and the world develops in accordance with the laws of movement of matter and stands in no need of a "universal spirit."

Matter, nature, being is an objective reality existing outside and independent of our mind. Matter is primary since it is the source of sensations, ideas, mind. The brain is the organ of thought and therefore we cannot separate thought from matter without committing a grave error.

The world and its laws are fully knowable; our knowledge of the laws of nature, tested by experiment and practice, is authentic knowledge having the validity of objective truth. There are no things which are unknowable.

IDEALISM

The world is the embodiment of an absolute idea, a universal spirit, a consciousness.

The only thing that really exists is our mind, and the material world, being, nature only exist in our head, in our sensations, ideas, and perceptions.

It is not possible to know the world and its laws, there is no objective truth, the world is full of things in themselves that can never be known to science.

STUDY QUESTIONS: Multiple Choice

1. Male Chauvinism, particularly white male chauvinism, is rooted in the historical development of U.S. imperialism, which endows white males with a sense of historical destiny--the subjugation of white women, and peoples of color around the world.
 Materialism Idealism
2. God made the rich and he made the poor; he made the rich rich and the poor poor.
 Materialism Idealism
3. If people would all meditate for 1 hour per day most of the problems of the world would be solved.
 Materialism Idealism
4. In order to do away with illusions, it is necessary to do away with the conditions which give rise to illusions.
 Materialism Idealism
5. The unemployment rate is so high because people are lazy.
 Materialism Idealism

What are the consequences of a materialist approach to human development and problem solving?

--"The history of society ceases to be an agglomeration of accidents and becomes the history of development of society according to regular laws and the study of society becomes a science.... Human beings are capable of making use of the laws of development of society for practical purposes." Stalin, DHM

--"The practical activity of the party of the proletariat must not be based on the good wishes of outstanding individuals, not on the dictates of 'reason', 'universal morals', but on the laws of development of society and on the study of these laws." "Hence socialism is converted from a dream of a better future for humanity into a science." Stalin, DHM

--"The strength and vitality of Marxism-Leninism lie in the fact that it does base its practical activity on the needs of development of the material life of society and never divorces itself from the real life of society." This activity is based on an advanced theory based on a concrete analysis of the needs of development of the material life of society." DHM

STUDY QUESTIONS

1. Idealism is thinking divorced from matter or properties of matter of a thing or process. Materialism is thinking that is based on matter and its properties of a thing or process. List below contrasting examples of the world outlooks of materialism and idealism.

MATERIALISM

IDEALISM

2. How do we know something is true based on the materialist world outlook?

3. Give examples from your experience of the concept "It is not the consciousness of men that determines their being, but, on the contrary, their social being that determines their consciousness." How have your experiences changed your thinking?

11. AN OUTLINE OF HISTORICAL MATERIALISM.

A. Relations of Production and Productive Forces.

"The materialist conception of history starts from the proposition that the production of the means of support of human life, and next to production, the exchange of things produced, is the basis of all social structure; that in every society that has appeared in history, the manner in which wealth is distributed and society divided into classes is dependent upon what is produced, how it is produced, and how the products are exchanged. From this point of view, the final causes of all social changes and political revolutions are to be sought, not in men's brains, not in man's better insight into eternal truth and justice, but in changes in the mode of production and exchange. They are to be sought, not in the philosophy but in the economics of each particular epoch." Engels, Socialism Utopian and Scientific.

Social production, or the mode of production of a society, is made up of 2 elements:

1. Forces of Production, ie: the instruments (tools) of production, the workers with their collective skills and labor experience, sources of energy.
2. Relations of production, ie: the relations of people to each other in the process of production. These may be relations of cooperation and mutual respect, or relations of domination and subordination, or they may be relations of transition from one to the other.

Socialized Production: Unlike earlier stages of social development, few people today produce mainly for their own needs. Workers' labor is interconnected and interdependent. The labor necessary for the survival of a society is divided amongst many workers, increasingly on a global scale. Each producer is dependent on the production of many other producers to provide the basic needs of survival. Moreover labor takes place in larger and larger factories, offices, and farms. Production that was private--like women's labor in the home--develops into socialized labor as now 51% of all women work outside the home and depend on convenience items and modern appliances, products of social labor, to reduce the labor time necessary for labor in the home.

B. DEVELOPMENT OF SOCIAL PRODUCTION:

--"One of the features of production is that it never stays at one point for a long time and is always in a state of change and development, and that, furthermore, changes in the mode of production inevitably call forth changes in the whole social system, social ideas, political views and political institutions--they call forth a reconstruction of the whole social and political order." DHM

--"A second feature of production is that its changes and development always begin with changes and development of the productive forces, and, in the first place with changes in the instruments of production. Productive forces are therefore the most mobile and revolutionary element of production. First the productive forces of society change and develop, and then, depending on these changes and in conformity with them, people's relations of production, their economic relations change. This however does not mean that the relations of production do not influence the development of the productive forces and that the latter are not dependent on the former...In this connection it should be noted that the relations of production cannot for too long a time lag behind and be in a state of contradiction to the growth of the productive forces...The relations of production must sooner or later come into correspondence with the level of development of the productive forces, the character of the productive forces.

--"A third feature of production is that the rise of new productive forces and of the relations of production corresponding to them does not take place separately from the old system, after the disappearance of the old system, but within the old system...After the new productive forces have matured, the existing relations of production and their upholders--the ruling classes--become that insuperable obstacle which can only be removed by the conscious action of the new classes, by the forcible acts of these classes, by revolution." DHM

STUDY QUESTIONS

1. Name some new instruments of production developing today. How has this development affected the development of the relations of production?
2. Are the relations of production of U.S. capitalism at this time in harmony or in contradiction to the development of the productive forces? For example, do present relations of production facilitate or hold back the development of energy resources, of health care, etc.?

B. History as the history of class struggle.

1. Bourgeois Revolution: "The means of production and of exchange, on whose foundations the bourgeoisie built itself up, were generated in feudal society. At a certain point in the development of the means of production and exchange, the conditions under which feudal society produced and exchanged, the feudal organization of agriculture and manufacturing industry, in one word, the feudal relations of property became no longer compatible with the already developed productive forces; they became so many fetters. They had to be burst asunder; they were burst asunder."

"Into their place stepped free competition, accompanied by social and political constitution adapted to it, and by the economical and political sway of the bourgeoisie."

"The bourgeoisie cannot exist without constantly revolutionizing the instruments of production, and thereby the relations of production, and with them the whole relations of society." Marx, CM

2. Contradictions of capitalist development: Socialized Production vs. Private Appropriation.

"But having developed productive forces to a tremendous extent, capitalism has become enmeshed in contradictions which it is unable to solve. By producing larger and larger quantities of commodities, and reducing their prices, capitalism intensifies competition, ruins the mass of small and medium private owners, converts them into proletarians and reduces their purchasing power, with the result that it becomes impossible to dispose of the commodities produced. On the other hand, by expanding production and concentrating millions of workers in huge mills and factories, capitalism lends the process of production a social character and thus undermines its own foundation, inasmuch as the social character of the process of production demands the social ownership of the means of production; yet the means of production remain private capitalist property, which is incompatible with the social character of the process of production.

These irreconcilable contradictions between the character of the productive forces and the relations of production make themselves felt in crises of over production, when the capitalists, finding no effective demand for their goods owing to the ruin of the mass of the population which they themselves have brought about, are compelled to burn products, destroy manufactured goods, suspend production, and destroy productive forces at a time when millions of people are forced to suffer unemployment and starvation, not because there are not enough goods, but because there is an overproduction of goods."

Stalin, DHM



3. Capitalist Class vs. Working Class: The capitalist unlike the feudal lord or the slave owner, has no obligation to support the workers who labor under his direction. Workers as wage laborers are "free" to sell their labor power to whoever will pay the most for it. Workers under capitalism "are a commodity, like every other article of commerce, and are consequently exposed to all the vicissitudes of competition, to all the fluctuations of the market." Further, profits and wages are in contradiction to each other: to maximize his profits, the capitalist must constantly seek to lower wages (buying power) to the minimum to keep a worker working day to day and perhaps enough to raise a family of future workers. "In proportion as the use of machinery and division of labor increases, in the same proportion the burden of toil increases, where by the prolongation of the working hours, by increase of the work extracted in a given time, or by the increase of the speed of machinery." Marx, CM

4. Development of class consciousness: "The proletariat goes through various stages of development. With its birth begins its struggle with the bourgeoisie. At first the contest is carried on by individual laborers, then by the workpeople of a factory,

then by the operatives of one trade, in one locality, against the individual bourgeois who directly exploits them. They direct their attacks not against the bourgeois conditions of production, but against the instruments of production themselves; they destroy imported wares that compete with their labor, they smash to pieces machinery, they set factories ablaze, they seek to restore by force the vanished status of the workman of the Middle Ages.

At this stage the laborers still form an incoherent mass scattered over the whole country, and broken up by their mutual competition. If anywhere they unite to form more compact bodies, this is not yet the consequence of their own active union, but of the union of the bourgeoisie...in order to attain its own political ends."

But with the development of industry the proletariat not only increases in number; it becomes concentrated in greater masses, its strength grows, and it feels that strength more. The various interests and conditions of life within the ranks of the proletariat are more and more equalized, in proportion as machinery obliterates all distinctions of labor, and nearly everywhere reduces wages to the same low level. The growing competition among the bourgeoisie, and the resulting commercial crises, make the wages of the workers ever more fluctuating. The unceasing improvements of machinery, ever more rapidly developing, makes their livelihood more and more precarious; the collisions between individual workmen and individual bourgeoisie take more and more the character of collisions between two classes." Marx, CM

5. Two distinct social contradictions in the capitalist mode of production:

A. Among the workers--in the unity and struggle of opposites, they struggle to maximize wages through job security; that is, through unionization, by locking non-union workers out of the job market. Continuing, "this organization of the proletarians into a class,

and consequently into a political party, is continually being upset again by the competition between the workers themselves. But it ever rises up again, stronger, firmer, mightier." Marx, CM

B. Amongst the capitalists internally and amongst the capitalists of various countries: each competes with the others to maximize personal profits. Eventually resulting in wars amongst the capitalist countries.

6. Overthrow of the Capitalist System: "out of the conflict between the new productive forces and the old relations of production there arise new social ideas; the ideas organize and mobilize the masses; the masses become welded into a new political army, create a new revolutionary power, and make use of it to abolish by force the old system of relations of production and firmly establish the new system. The spontaneous process of development yields place to the conscious actions of men and women, peaceful development to violent upheaval, evolution to revolution." Stalin, DHM

7. Socialist Revolution: "All previous historical movements were movements of minorities, or in the interests of minorities. The proletarian movement is the self-conscious, independent movement of the immense majority, in the interest of the immense majority. The proletariat, the lowest stratum of our present society, cannot stir, cannot raise itself up without the whole superincumbent strata of official society being sprung up into the air."

Marx, Communist Manifesto

STUDY QUESTIONS:

1. What methods are used by the capitalists to expand their profits?
2. What is the root cause of depressions and unemployment? How do capitalists attempt to resolve these problems? What are the effects?
3. What is the effect of competition amongst the working class? How is it overcome?

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1. What methods are used by the capitalists to expand their profits?
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PRODUCTION



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